

REDD PROJECT IN BRAZIL NUT

CONCESSIONS IN MADRE DE DIOS



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1 PROJECT DETAILS

1.1 Summary Description of the Implementation Status of the Project

The project, proposed by Bosques Amazónicos SAC (BAM), is located in the Peruvian region of Madre de Dios, an area of great biological diversity which is in risk due to deforestation mainly caused by livestock ranchers and farmers. Since 2009, BAM and its implementation partner, FEPROCAMD¹, are committed to reducing the emissions from deforestation and to implementing a socio environmental plan for the sustainable development of the community.

Using the Deforestation Model approved in validation stage by the correspondent VVB (SCS Global Services) and VERRA, built with DINAMICA EGO software², the expected deforestation in the project zone (RRL) was geographically allocated. This model was based on the analysis of 3 Landsat satellite images from years 2000, 2005 and 2008, which revealed different deforestation rates in the region. According to the model, approximately 34% of the forest within the Project Area would be lost by the end of 2041 in a without-project scenario. The design and monitoring was based on the modular methodology developed by Avoided Deforestation Partners, approved by VCS on December 3, 2010.

Date	Milestone(s) in the project's development and implementation
24/09/2009	BAM and FEPROCAMD sign a Strategic Agreement to implement a REDD project
13/06/2012	Brazil Nut REDD Project is validated under VCS and CCB Standards
14/11/2013	First VCS Verification
14/01/2014	CCB Validation
13/10/2020	Second VCS Verification

The main activities implemented by the project throughout the verification period, supported by documentary evidence³ and later explained can be summarized in the following matters:

- FEPROCAMD's strengthening and operations funding
- Concessionaires meetings for strengthening the organization's capacities
- Economic benefit sharing for project partners
- Representation of concessionaires in front of authorities
- Training workshops in sustainable forestry management and other topics of interest
- Technical and legal assistance for concessionaires
- Forest genetic improvement program and clonal nursery for future reforestation.
- COVID-19 Campaigns

Net tradable emissions reduction as a result of the project activity in the period: **1.883.326 tCO₂e**.

¹ Departmental Federation of Brazil nut Producers of Madre de Dios.

² DINAMICA EGO software developed by Universidad Federal de Minas Gerais from Brazil, 2002.

³ Activities 2020 file: *Activities 2020.doc*; *Meetings and General Assemblies 2020*; *Videos: Economic benefit December 2020*; *Economic Benefit photos file*, *Videos*, *Reports 2020*, *Forest Genetic Improvement Program.doc*.

405 concessions comprise the project area. The total project area covers 329,564.04 hectares. Only 351 of the 405 partners of the project were included for calculating climate contribution during this verification period (2020). The 351 concessions accountable represent an area of 281,629.23 ha. Due to a methodological restriction, those concessions where selective, minimal and permitted timber extraction was carried out by concessionaire rural families in accordance with their legal concession contract granted by the Peruvian state, could not be accounted for in the climate contribution (net emissions reductions) generated by the project during the period under evaluation. It is important to mention that these concessions do not cease to be part of the project, they are just excluded from the accounting of climate contribution, even though they present net emissions reductions in their area. Not considering concessions where legal/artisanal/selective logging was performed in the accounting of net emission reductions occurred within the period is a conservative approach due to the following: considering only the non-accounted concessions for calculations (emission reductions) in 2020, and according to the baseline scenario, 370,987 tCO₂e would have been emitted due to land use change in the mentioned area. In the with-project-scenario, the actual deforestation in those 54 concessions was estimated below.

During this period, the deforestation in baseline within the excluded area (47,934.81 hectares) would have been 370,987 tCO₂ (ΔCBSL,unplanned), however, the actual reported deforestation in the area was 21,176 (ΔCP). Hence, as the real avoided emissions (CREDD,t) is the result of discounting the emissions in baseline minus the reported emissions from deforestation and emissions from leakage, for this period the real avoided emissions were: $370,987 - 21,176 - 980 = 348,832 \text{ tCO}_2\text{e}$.

Furthermore, to calculate adjusted avoided emissions uncertainty was assessed at 19.63% (Excel file: uncertainty analysis). According to methodology, real avoided emissions were discounted, multiplying its value by the result of $100\% - 19.63\% + 15\%$, resulting in 332,696 tCO₂e (Adjusted CREDD,t),

For calculating the buffer, the difference between emissions from deforestation in the baseline scenario and emissions from real deforestation was first calculated ($370,987 - 21,176 = 349,811$) and then discounted by multiplying the value by the non-permanence risk (Document: non-permanence risk tool), resulting in $349,811 * 10\% = 34,981 \text{ tCO}_2\text{e}$.

According to methodology, the value of VCUs is the adjusted emissions reductions minus the buffer, hence the number of VCUs calculated for the period is: $332,696 - 34,981 = 297,714 \text{ tCO}_2\text{e}$.

To consider degradation, the total volume of timber extracted (in cubic meters) by the concessionaires temporarily excluded for the emission reduction calculations in this period (Excel file: BAM Castañeros excluidos por periodo), was multiplied by the factor 0.49 (carbon

fraction, IPCC 2006) ($22,248 \times 0.49 = 10,901$) to convert it to carbon, and finally multiplied by 44/12 to convert it to tCO₂e, resulting in: $10,901 \times 44/12 = 39,971$ tCO₂e.

Additionally, after subtracting the emissions from legal logging (harvested m³) during the period from the calculated VCU for 2020, the value of net emission reductions was 257,743 tCO₂e ($297,714 - 39,971 = 257,743$ tCO₂e).

Due to the methodological restriction, these 257,743 tCO₂e net emission reductions occurring in the aforementioned area have not been accounted for in the final calculations of the project. In other words, the **257,743 tCO₂e ER has not been generated in favor of the project despite having occurred as a result of the project's management, following the principle of conservatism required by the methodology.**

1.2 Sectoral Scope and Project Type

According to the decision tree presented in the Methodology Framework, the project qualifies under the VCS category Avoided Unplanned Deforestation.

Table 1: Methodology framework

Is the forest land expected to be converted to non-forest land in the baseline case?			
YES		NO	
Is the land legally authorized and documented to be converted to non-forest?		Is the forest expected to degrade by fuel wood extraction or charcoal production, in the baseline case	
YES	NO	YES	NO
Avoided planned deforestation	Avoided unplanned deforestation	Avoided forest degradation	Proposed project is not a VCS REDD activity currently covered by the module framework

Source: REDD Methodology Framework (REDD-MF)

The REDD Project in Brazil Nut Concessions in Madre de Dios is classified as a grouped project as it includes many forest units (Brazil nut concessions) managed individually but with similar conditions. For this verification period, no additional areas have been incorporated to the project from the previous verification process. The concession partners of the project are: 405 concessions.

1.3 Project Proponent

Organization name	Bosques Amazónicos SAC – BAM
Contact person	Jorge Cantuarias Falconí
Title	General Manager
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1.4 Other Entities Involved in the Project

Organization name	Federación de Productores de Castaña de Madre de Dios - FEPROCAMD
Role in the Project	Representing most of the concessionaires of forestry products other than wood (i.e. Brazil nuts) in Madre de Dios, and it gathers the associations formed by people and families working on collecting, transforming and commercializing of Brazil nuts.
Contact person	David Asturima Huamantica
Title	President
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Telephone	+(51) 82 637746
Email	feprocamd12@hotmail.com

1.5 Project Start Date

The Project start date is 24/09/2009, the date when the Association Contract between BAM and FEPROCAMD was executed for the joint development of the REDD Project in Brazil nut concessions.

1.6 Project Crediting Period

The Project Crediting Period goes from 01/01/2010 up to 31/12/2040 and makes up a total of 31 years of crediting time. The start date coincides with the beginning of the first monitoring period.

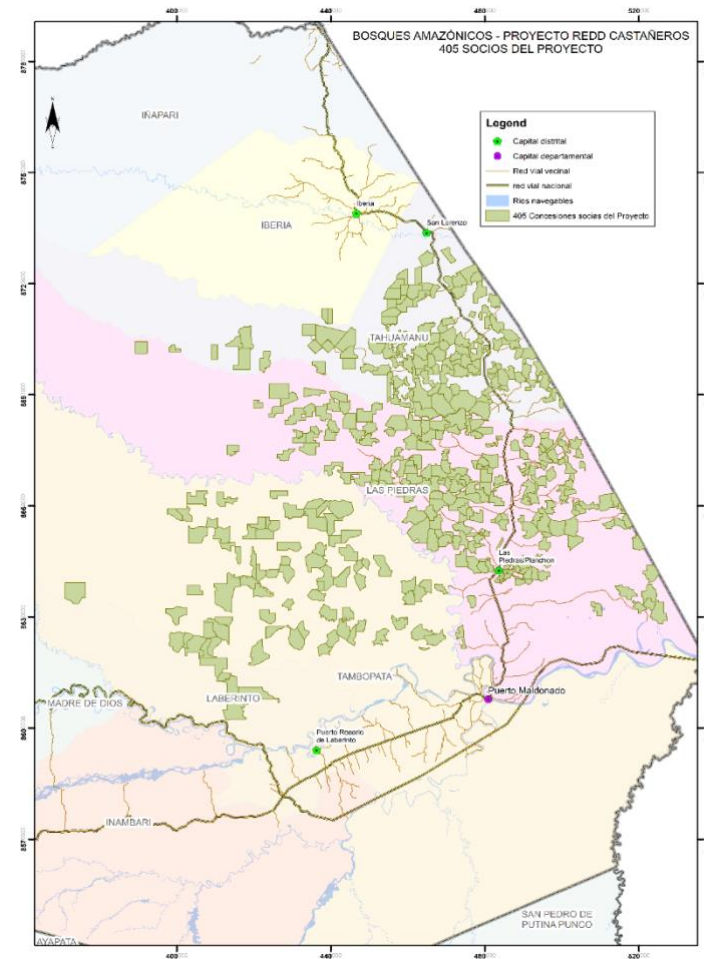
1.7 Project Location

The Project is located in the eastern part of Madre de Dios, which is a Region in southeastern Peru, bordering Brazil, Bolivia and the Peruvian Regions of Puno, Cuzco and Ucayali. Within Madre de Dios, the Project is located in the Provinces of Tahuamanu (Iberia and Tahuamanu districts) and Tambopata (Las Piedras, Laberinto, Inambari and Tambopata districts).

The Project Area is formed by a set of non-timber concessions, specifically Brazil nut (BN) concessions that were granted by the Peruvian Government from 2002, after this activity was recognized and regulated through the new Forestry and Wildlife Law of 2001. These concessions are spread in a well-defined zone, where the majority of BN concessions (nearly 1000) are located in the region (both margins of Stretch 3 of the Inter-Oceanic Highway, most of them at the left side).

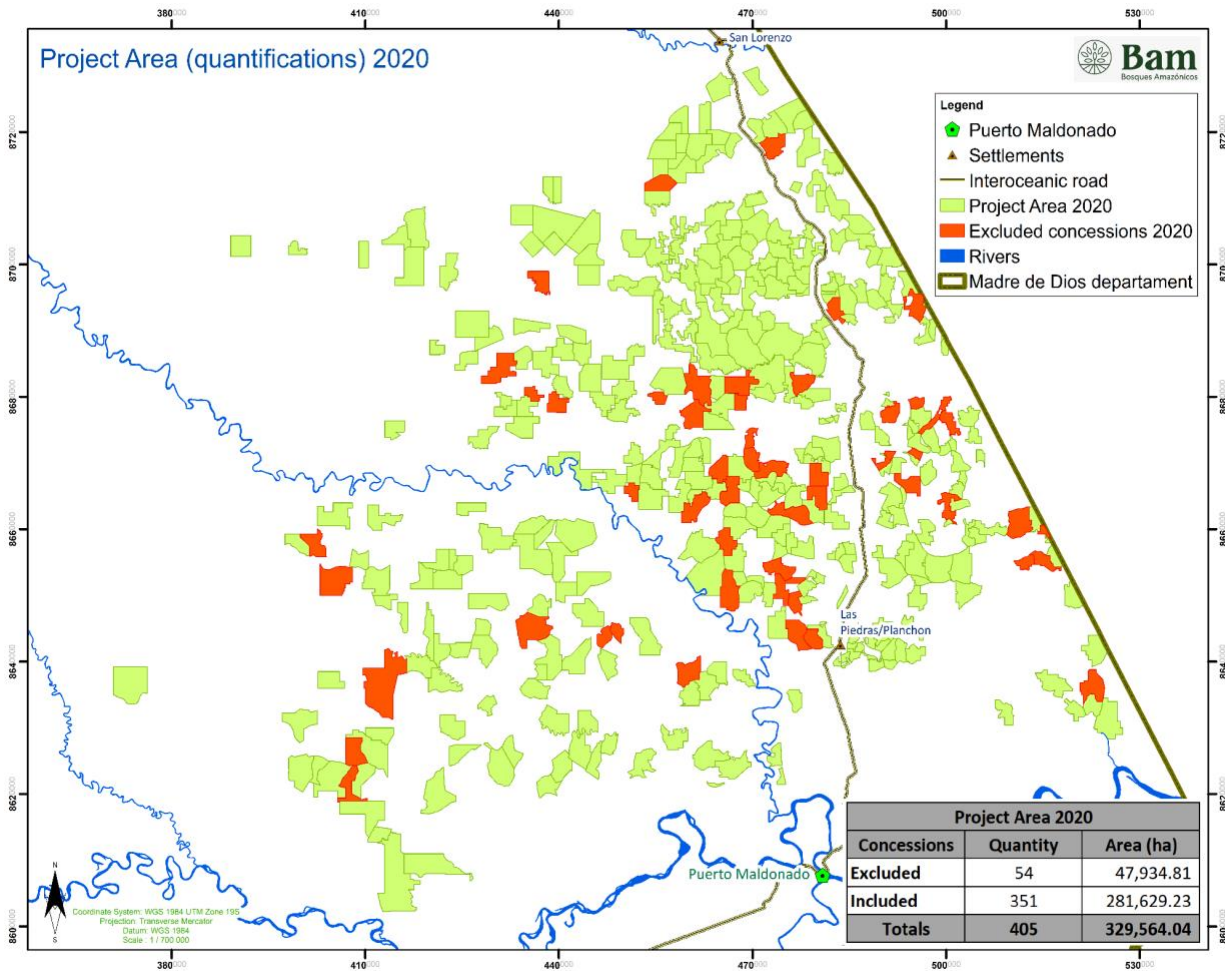
405 concessions comprise the project area. The total project area covers 329,564,04 hectares. The boundaries of the PA were defined based on the legal boundaries of each concession contract, excluding, as requested by the methodology, areas within these concessions that were deforested before the project start date. The centroid coordinates of each concession are shown in Annex 1.

Map 1: location of the REDD Brazil nut concessions project



Source: Self-made

Only 351 of the 405 partners of the project were included for calculating climate contribution during this verification period (2020). The 351 concessions accountable represent an area of 281,629.23 ha. See map below:



1.8 Title and Reference of Methodology

The methodology used for validating the project is named REDD Methodology Modules (VM0007), version 1.1. It belongs to the AFOLU Sectorial Scope, was developed by Avoided Deforestation Partners and was approved by VCS in December 2010.

It is formed by several modules, but as this is an Unplanned Deforestation project, we have only used the ones most appropriate, listed in table 2.

Table 2: Information of the Modules used

	Module	Code	Version
Always Mandatory	REDD Methodology Framework (REDD-MF)	VM0007	1.1
	Methods for monitoring of greenhouse gas emissions and removals (M-MON)	VMD0015	2.0
	Estimation of uncertainty for REDD project activities (X-UNC)	VMD0017	1.0
	Methods for stratification of the project area (X-STR)	VMD0016	1.0
Baseline	Estimation of baseline carbon stock changes and greenhouse gas emissions from unplanned deforestation (BL-UP)	VMD0007	2.0
Leakage	Estimation of emissions from activity shifting for avoided unplanned deforestation (LK-ASU)	VMD0010	1.0
Pools	Estimation of carbon stocks in the above- and belowground biomass in live tree and non-tree pools (CP-AB)	VMD001	1.0
Emissions	Estimation of greenhouse gas emissions from biomass burning (E-BB)	VMD0013	1.0
	Estimation of emissions from fossil fuel combustion (E-FFC) ¹	VMD0014	1.0

Source: REDD Methodology Framework (REDD-MF)

Table 3: Information of the Tools used

	Tools	Code	Version
Risk	Tool for AFOLU non- permanence risk analysis and buffer determination (T-BAR)		3.2
Additionality	Tool for the Demonstration and Assessment of Additionality in VCS AFOLU Project Activities (T-ADD)	VT001	1.0
Significance	Tool for testing significance of GHG emissions in A/R CDM project activities (T-SIG)	EB_31	1.0

Source: REDD Methodology Framework (REDD-MF)

1.9 Participation under other GHG Programs

The project does not participate in any Emission Trading Programs and Other Binding Limits, nor other forms of environmental credit or other GHG program.

1.10 Other Forms of Credit

Not applicable.

1.11 Sustainable Development

Sustainable forestry management for non-timber forest products is one of the main targets of the sustainable development in the national and regional plans. In the Forest and Climate Change National Strategy⁴, the REDD+ strategy/action plan of Peru under the UNFCCC, the Brazil nut is highlighted as the second highest export value NTFP and it is mentioned in the Strategic Activity 2.5 “Develop specialized programs to promote the sustainable forestry management associated with timber, non-timber, wildlife, ecotourism and eco-business” as one of the prioritized actions to reduce deforestation. Again, Activity 7.5 is also included because of its high social impacts for benefiting the local population.

Regionally, the Brazil nut is also one of the pillars of sustainable development as can be seen in the Regional Agreed Development Plan (PDRC), where, in part thanks to the support received by this project, the strengthened Federation FEPROCAMD was chosen as one of the two representatives of civil society to the Promoting Committee to update this important document. It must be mentioned that the PDRC is the official tool to guide all the different actions to bring sustainable development in the region.

The project monitors these achievements by a continuous registration process of all the activities developed by FEPROCAMD and other grassroots organizations. In addition, the project applies periodical surveys to monitor the progress of the community, specifically the progress of concessionaire families part of the project, in terms of the Sustainable Development goals, evaluating indicators such as: Gender equity; Income improvement; Capacity building (economic activities)⁵.

The REDD Brazil Nut concessions project was registered in the REDD+ National Registry of the Ministry of Environment (MINAM) but, as this registry is no longer publicly available, the project is open to re-register when it is open and active. In the meantime, BAM actively participates in the meetings convened by MINAM for the nesting process.

⁴ http://www.bosques.gob.pe/archivo/ff3f54_ESTRATEGIACAMBIOClimatico2016_ok.pdf

⁵ Documentary evidence: *Línea Base_Componente Comunidad*.

2 SAFEGUARDS

2.1 No Net Harm

The project does not generate negative environmental impacts; on the contrary, the Project seeks for ecosystem preservation and sustainable forestry management with respect to the traditional activities of the partners: Brazil nut -a non-timber forest product (NTFP) that grows wild in this primary forest- and timber.

The Brazil nut collection is considered a low-impact activity that promotes forest conservation, since the activity is profitable only in undisturbed forests. Attempts to establish Brazil nut plantations have been made without success; for this reason, it is essential to safeguard Brazil nut productive forests, by strengthening techniques for forest management and providing resources to increase Brazil nut production, sub products with added value and others. Brazil nut activity is regulated by the Peruvian State and requires a General Management Plan for Brazil nuts collection prior to beginning of the activity, which must be approved by the Regional Directorate of Forestry and Wildlife (DRFFS) and the POAs (Plan Operativo Anual) or DEMAs (Declaración de Manejo) to be authorized annually.

Logging is a complementary activity to Brazil nut collection, permitted only when it is carried out under the extraction levels and methods established in the concession contract with the Peruvian government. To perform this activity, concessionaires must elaborate a Complementary Management Plan and submit it for approval by the Forestry Authority. This management plan must describe in detail the trees to be harvested (species, volume, quantity, location, etc.). After obtaining approval, the concessionaire is evaluated by the supervisory Forestry Authority, which carries out permanent and random unannounced field inspections of the concessionaires to ensure that management is occurring or has occurred in accordance with the permitted levels established in the management plan. These regulations and inspections ensure that logging is carried out on an artisanal scale and in accordance with the legal framework. According to the extraction balances, the volumes harvested are even lower than the maximum allowed.

Within this period of evaluation (2020), 54 Brazil nut producers (13.3% of total partners of the project) conducted legal logging activity within their concessions. Even though this activity was performed according to the Concession contract with the Peruvian State, the net reductions occurring in these areas could not be accounted for in calculating climate contribution in this verification period. Due to the methodological restriction, emission reductions that do occur in the areas as a consequence of the project management cannot be accounted for their climate contribution in the period. That is, they cannot be translated into verified ER generated as a result of the project activities. It is important to mention that these concessions do not cease to be part of the project, they are just excluded from the accounting of climate contribution, even though they present net emissions reductions in their area during the period.

According to the applicability conditions of M-MON tool (Modular Methodology: Module VMD0015 v2 “M-MON” developed by Avoided Deforestation Partners, approved by VCS on December 2010), when selective logging is taking place in the project case, emissions from logging may be omitted if it can be demonstrated the emissions are de minimis using Tool T-SIG. If emissions from logging are not omitted as de minimis, logging may only take place within forest management areas that possess and maintain a Forest Stewardship Council (FSC) certificate for the years when the selective logging occurs. According to T-SIG tool, the sum of decreases in carbon pools and increases in emissions that may be neglected shall be less than 5% of the total decreases in carbon pools and increases in emissions, or less than 5% of net anthropogenic removals by sinks, whichever is lower.

For this reason, as the concessionaries are not FSC certified and their GHG emissions by selective logging do not fall in minimis, the concessionaries must be excluded for accounting purposes only for the years when they do logging, which is very seldom. It must be highlighted that the main forest resource harvested from this type of concessions is the Brazil nut, a non-timber forest product (NTFP), that grows wild in this primary forest. These concessions has a size of 800 hectares as an average, too small for doing logging at an intensive scale.

Hence, this approach does not imply any change on non-permanence risk valuation as the “exclusion” is only for VCU calculations and there isn’t any difference in the benefits that the non-accounted concessionaries receive from the project compared with the accounted concessionaries. For this reason, the level of protection and the behavior and land use pattern is similar and does not have a change that may vary the risk of non-permanence.

In order to account for the emission reductions occurring in these areas, the project proponent consulted on the feasibility of achieving FSC certification for this specific project. After a conversation with the FSC team, it was considered hard and even unviable to achieve this certification due to the difficulty to use this type of monitoring in such a large non-contiguous area (+320K ha) of smallholder concessions (in average have less than 800 ha. each). Therefore, a methodological addendum will be presented to VERRA for the consideration of other type of controls within the area (e.g. National Controls, Reporting and Monitoring according to the Peruvian Forest Laws) so that the project can account for emissions avoided in properly managed concessions in the next verification periods.

The 54 concessionaires that presented legal extraction levels were only excluded from the calculation of the contribution to the net reductions generated by the project during the verification period.

The project seeks to generate a positive impact on the social and economic welfare of the community, ensuring that benefits are fairly shared among all members and groups over the life of the project. REDD Brazil nut concessions is focused in promoting forest conservation by enabling local communities to benefit from sustainable revenue streams generated

through the protection and responsible management of forests. For doing so, the project is focused achieving 3 main goals:

- A. **Improve community livelihood by generating revenue streams through sustainable forestry management:** REDD Brazil nut concessions is focused on generating wealth for the community through the sale of carbon credits and the implementation of other sustainable activities that center around conservation and sustainable forest management.
- B. **Strengthen the Federation of Brazil nut producers FEPROCAMD's organizational and operational capacities, allowing them to play an active role in Madre de Dios sustainable development:** REDD Brazil nut concessions not only helped to consolidate FEPROCAMD as an organization, but, over the years, has also helped to finance its operations and strengthen it to the point where it is now an important representation for the Brazil nut families of Madre de Dios in relation to the authorities and interest groups in the sector. This strategy is essential to strengthen the negotiation power of partners in the market and to make their voice heard in the sector.

In addition, REDD Brazil nut concessions seeks to increase the capacities of the partners as individuals and as an organization through training workshops that aims to give them the necessary tools (knowledge) to successfully protect their forests and to develop sustainable activities that generate greater economic opportunities as well as micro entrepreneurial development for them and their families. Training workshops on topics such as: how to promote and denounce threats of deforestation, sustainable forestry activities, etc.

- C. **Implement activities to avoid deforestation, preserving the value of ecosystems and its biodiversity:** in addition to the aforementioned activities aimed at removing pressure on the forest, REDD Brazil nut concessions seeks to control and monitor the area to prevent any deforestation threat, implementing activities such as the permanent legal and technical support for concessionaires.

The implemented activities in the current period of evaluation will be later explained in the document.

The implementation of the project activities seek to limit and prevent the expansion of environmental threats and violations from deforestation agents within the project area. To prevent and mitigate any threats or conflicts, the project combines control activities and encourages productive activities. By implementing the activities that break down from the pursuit of the objectives previously mentioned, the project seeks to generate employment opportunities for the community (particularly for the partners and their descendants) and wealth for their sustainable development and betterment of livelihood.

In this sense, potential negative environmental and socio-economic impacts will be minimal in the project area.

2.2 Local Stakeholder Consultation

Official communications between BAM and all project partners are carried out in coordination with the FEPROCAMD leadership, respecting the structure of the organization as stipulated in its by-laws (president, board members, association presidents). Due to the global pandemic and the restrictions resulting from it, mass meetings could not be held during 2020, so the project sought to have small decentralized meetings as much as possible and under the permitted health requirements.

During this year, the communication of the project was reinforced through the project's networks (e.g. Facebook page) and Whatsapp group: <https://www.facebook.com/Proyecto-REDD-Casta%C3%B1eros-MDD-104395071611763> It is important to mention that in 2020 small meetings were held to deliver economic benefits to the concession partners. These meetings made it possible to have contact with all partners and discuss issues related to the status of project activities.

The main topics issues raised in the year were related to concession demarcation and legal sanitation of lands (superposition of concessions), informal commercialization of Brazil nuts coming from Bolivia and processing plant, commercialization of carbon credits (agreement with important seller), distribution of economic benefits to partners, among others.

Through FEPROCAMD's organizational structure, its leaders communicate directly with BAM's management, in order to make decisions that respond to the needs of the concessionaires. Based on the feedback from concessionaires, decisions and updates in the implementation of project activities are made.

As part of the coordination work between BAM and FEPROCAMD, both organizations reached the decision to agree on a major sale to one of the main players in the international market. This sale of 1.1 MM carbon credits will allow the financing of the project for the following year. BAM and FEPROCAMD also agreed on the details of the use of funds, in which they decided to carry out essential activities such as the management and boundary process for the concessions partners of the project. In addition, BAM and FEPROCAMD agreed to deliver economic benefits directly to the project partners, which were delivered in December. Regarding the Brazil nut plant, FEPROCAMD and BAM signed an agreement in 2020 to transfer ownership of the land and machinery purchased for the plant to FEPROCAMD.

To maintain open and fluent communication the Project office is always available to any Brazil nut partner requiring support e.g. technical/legal support. If an on-site visit is required, it is scheduled and accompanied throughout the process.

Regarding the communication to the concessionaires non-accounted in the period: It must be highlighted that the 54 concessions non-accounted from in this period is only for carbon

accounting purposes, meaning that the net reductions which have happened within these areas are not being accounted for as climate contribution occurred in the period. As it will be demonstrated in Section 5.1, this calculation has followed the conservative approach as requested by VERRA and VCS methodology.

Important to highlight that all concessionaires (the total of 405 including the 54 previously mentioned) receive project benefits (technical assistance, legal advisory, etc.) equally. In other words, the concessionaires non-accounted in the emissions reduction (net emissions reductions) occurred in this specific period (2020) for presenting legal/selective/artisanal levels of timber extraction permitted under their concession contracts with the Peruvian state, are still part of the Project and have not ceased to receive the same treatment and benefits from the project as the other project partners (accounted in the emissions reduction occurred). The Project assumes the reduction of VCUs and consequent incomes from this exclusion. Even though there is no difference between the partners (non-accounted/accounted) as mentioned, among the different interviews and testimonies collected for the present verification, the testimony of Mr. Juan Ernesto Rivera Lazo (concessionaire excluded from the accountability of emission reductions in the period), was taken in consideration.

Furthermore, in order to be able to account for such reductions in the future, the project proponent plans to submit an addendum to the methodology proposed by VERRA (FSC) to one that fits the characteristics of the project (small family management areas, non-contiguous lands covering more than 300,000 hectares).

As mentioned above, communication regarding progress, as well as project delays and deviations, has been permanently communicated to project partners through the FEPROCAMD's organizational structure.

2.3 AFOLU-Specific Safeguards

The project is a partnership between 405 Brazil nut collectors organized in the Federation FEPROCAMD and Bosques Amazónicos (BAM). As previously mentioned, only 351 of the 405 partners of the project were included for calculating climate contribution during this verification period (2020). The 351 concessions accountable represent an area of 281,629.23 hectares.

The project is carried out in state forests, permanently granted to rural families as non-timber forest concessions. In many cases, the areas of these families have been transferred over generations. In this sense, there are no land conflicts or claims over the project area.

The main activity in these forests is Brazil nut harvesting, a very traditional activity, carried out since the 1940s, and which to this day maintains a very traditional way of harvesting, generating a balance of sustainability with the environment.

During the design stage, decentralized consultation meetings were carried out (documented in the annexes of PD). During the implementation stage, permanent and periodical meetings are carried out (documented in the different monitoring reports) for the information and consultation of Project activities and performance.

For this verification period 2020, some of the project activities like general assemblies for the concessionaires, regarding the project activities and sustainable alternatives in the forest, as well as a strengthening of the FEPROCAMD were done under very strict sanitary conditions due to the COVID-19 pandemic and more spaced in time, since Peru was one of the most affected countries worldwide and taking care of our project partners and employees is the first priority and quarantine was decreed by the Government for a long time of the year.

Progress and status of project activities are also communicated through other channels/products. For example, in the case of how the start of the verification of the current period was communicated, the project used the newsletter (sent to all project partners periodically) as a means of communication.



“Verification process period 2017-2020. under the VCS standard + re-validation of the CCB standard: we started the project verification process under the VCS standard (Verified Carbon Standard) for the period from 2017 to 2020. Currently, the technical team is preparing the corresponding Monitoring Report. Likewise, we started the process of re-validation of the project under the CCB standard. The technical team is currently defining the baseline (community + biodiversity) and conducting the analysis for the development of the CCB Project Document”.

In addition, for the present remote verification, the VVB randomly interviewed a number of concessionaires who were previously informed of the reason for the interview in coordination with the Project team. To summon the interviewed concessionaires,

representatives of the Project team called the concessionaires individually, explaining the reason for the interview and proposing their participation in it. The concessionaires accepted to participate and were invited to the interviews, which were held at the Project offices (for computer use) and virtually with the verifier (VVB).

3 IMPLEMENTATION STATUS

3.1 Implementation Status of the Project Activity

The REDD Brazil nut concessions project implemented by BAM in partnership with the Federation of Brazil nut producers of Madre de Dios (FEPROCAMD) has been working actively since the establishment of the agreement between both partners in 2009.

Throughout the verification period (2020) the Project continued to strengthen the FEPROCAMD (organization of Brazil nut producers) through financing of the organization's operations for it to support concessionaires in protecting their forests. FEPROCAMD's financing of operations allows: improving BN concessionaires capacities in sustainable forestry management, giving concessionaires permanent technical and legal support for identifying and controlling threats of deforestation, having an organization representing concessionaires (their needs and requirements) in front of different regional and national authorities, among other activities for improving the livelihood of the community. It is important to mention that due to the atypical situation caused by the Pandemic, the meetings and the work of the team in general was limited by very strict restrictions (even quarantine for many months of the year) imposed by the Peruvian government.

About the importance of FEPROCAMD's operation funding: the Project comprises more than 300,000 hectares of noncontiguous land of responsibility of small landowners (concessionaire families). Before the Project, concessionaires were isolated and acted independently, which meant they lacked power to interact among themselves and to reach competent authorities, the markets and all relevant stakeholders. The REDD Brazil nut concessions project helped concessionaires to group in 11 associations and to consolidate the Federation of Brazil nut producers of Madre de Dios, FEPROCAMD. The organization of concessionaires as a formal entity, allowed these families to join forces and work together to achieve collective goals for the protection of forests and the well-being of their community.

Since then and up to the present verification, the Project has financed FEPROCAMD's operations as a key activity for strengthening concessionaires capacity to: respond to any threat of deforestation happening within the project area; improve their ability for sustainable forestry management; improve their position in the market related to brazil nut activity; improve their possibility to have a voice in front of competent authorities for presenting their needs and expectations as key players within the agro and environmental sector.

Strengthening the regional grassroots organization is key to deal with deforestation drivers as they act as a hinge channeling the threats and demands of BN collectors toward policy makers, including regional government, forest authority, police and attorney among others. As a key Project strategy to prevent deforestation in the area, during this verification period, the funding for FEPROCAMD's operations permitted the Project to achieve:

Meetings for strengthening organization capacities

The most attended meetings were earlier in the year (before the start of the pandemic). These meetings covered topics such as: work plans for the year, overlapping of concessions, advice on awareness of procedures and sanctions by the forest authorities, etc.

Documents: file: Activities 2020.doc; Meetings and General Assemblies 2020.

Economic benefit sharing for project partners

As a consequence of the improved results in carbon credit sales, the project distributed economic benefits directly to the project partners. To this end, small meetings were held following the health restrictions, in order to generate a space to share the status of the project and future plans with all members. In these meetings, the history of the project, the activities, the benefits for the partners, the sale of important carbon credits during the year, the future plans for the project, the needs of the concessionaires, etc., were shared. Space was provided for grantee partners to reach out with their comments, complaints, requirements for the project and vision for the coming months/years. Representatives of BAM, the Project team and FEPROCAMD participated in these events. The economic benefit was given directly to the concessionaires by means of a bank transfer through Banco de Credito del Peru, one of the most important banks in the country.



Documents file: Activities 2020.doc; Videos: Economic benefits December 2020; Economic Benefit photos file.

Representation before authorities

In addition, FEPROCAMD's funding and consequent strengthening helped the organization to represent concessionaires before different working groups so that they can make their voices, requirements and concerns heard before the competent authorities. This representation also helps to position concessionaires as agents of sustainable development in the region. During the verification period (2020), FEPROCAMD represented the Brazil nut concessionaires in roundtables as:

Brazil nut technical roundtable 2020: meeting at the regional government of Madre de Dios, the technical team and the different institutions and actors belonging to the Technical Committee met to reach agreements on the problems of Brazil nut exports and the downward trend of the market price.

Meeting with the Regional Forestry and Wildlife Directorate: regarding agreements to improve concession boundary and legal sanitation of lands.

Meeting with the Congressman of the Republic: where different issues affecting the Brazil nut sector were discussed, such as the illegal entry of Brazil nuts from Brazil and Bolivia, among others.

Regional Council with the president of the Agrarian Commission Environment, Amazon and Native Communities: to coordinate the issue of the proposed regional ordinance that seeks to solve the problems of overlapping areas among the Brazil nut concessionaires.

Documents: file: Activities 2020.doc; LETTER N° 093-2020-FEPROCAMD-MDD-DCHP; LETTER N° 0001-2020-FEPROCAMD-MDD-RAHH, LETTER N° 030-2020-FEPROCAMD-MDD-DAH; LETTER N° 062-2020-FEPROCAMD-MDD-DAH; Videos: Congressman Mg. ALEXANDER LOZANO S- FEPROCAMD; Meeting with Regional Wildlife Division and FEPROCAMD; Meeting with Agrarian commission – FEPROCAMD; SEFOR – FEPROCAMD.

Training workshops for concessionaires

Thanks to the Project, training sessions were held for concession partners on sustainable forest management and other topics of interest during the verification period. These trainings were sometimes carried out in cooperation with forestry authorities such as SERFOR in order to strengthen the concession holders' knowledge and capacities in the forestry and wildlife regulatory framework.

Documents: Activities 2020.doc

Technical and legal assistance for concessionaires

During the verification period, activities were carried out to assist concessionaires in terms of technical and legal support. E.g. in the demarcation of the limits of their concessions (required in the concession contract), as well as in the process for preparing the DEMA (Management Declaration) and other management documents such as the annual execution reports, necessary to carry out the formal management and harvesting of Brazil nuts. Due to the atypical situation caused by the Pandemic, the meetings and the work of the team in general was limited by very strict restrictions (even quarantine for many months of the year) imposed by the Peruvian government.

Documents: Reports 01,02,03,07,08,09,10,11,12 WFC 2020.

Forest genetic improvement program and clonal nursery for future reforestation.

To improve forest capacity, BAM have initiated a cutting-edge program in cooperation with the Instituto Tecnológico de Costa Rica (TEC), one of the leading institutions in research of native species worldwide and is being led by Dr. Olman Murillo, PhD with 35 years of experience in genetic improvement processes. This program entails reproducing the highest-quality individual trees: taller, thicker, healthier and straighter trees that grow efficiently.

In 2020, the research/intervention process on the plus trees (trees selected for their genetic superiority) was initiated according to the methodology developed together with TEC. These saplings will be the genetic basis for the breeding process that will ultimately supply the future reforestation within the REDD project area.

Document: *Forest Genetic Improvement Program.doc*.

COVID19 Campaigns

Taking into account the pandemic situation by the COVID - 19, campaigns were carried out in order to raise awareness and support BN growers such as:

Informing and verifying if the BN growers were in any of the bonds granted by the government to economically help the affected population.

Information campaign on the symptoms of COVID-19, the measures taken by the state and the safety and health protocols to be followed.

Health campaign promoted by the regional government and replicated by FEPROCAMD to provide medicines as a measure against Covid-19.

Documents: *Activities 2020.doc*

Furthermore, as for the 54 concessions that have not been accounted for in the current verification period due to the restriction of the methodology described above, this approach follows the principle of conservatism required by the standard. Not considering concessions where legal/artisanal/selective logging was performed in the accounting of net emission reductions occurred within the period is a conservative approach due to the following: considering only the non-accounted concessions for calculations (emission reductions) in 2020, and according to the baseline scenario, 370,987 tCO₂e would have been emitted due to land use change in the mentioned area. In the with-project-scenario, the actual deforestation in those 54 concessions was estimated below.

	$\Delta C_{BSL,unplanned}$	ΔC_P	$\Delta C_{LK-AS,unplanned}$	$C_{REDD,t}$	adjusted error% $\text{Adjusted } C_{REDD,t}$	Buffer _{UNPLANNED}	VCU_t
Period 2020	370,987	21,176	980	348,832	332,696	34,981	297,714

During this period, the deforestation in baseline within the excluded area (47,934.81 hectares) would have been 370,987 tCO₂ ($\Delta C_{BSL,unplanned}$), however, the actual reported deforestation in the area was 21,176 (ΔC_P). Hence, as the real avoided emissions ($C_{REDD,t}$) is the result of discounting the emissions in baseline minus the reported emissions from deforestation and emissions from leakage, for this period the real avoided emissions were: 370,987 – 21,176 – 980 = 348,832 tCO₂e.

Furthermore, to calculate adjusted avoided emissions uncertainty was assessed at 19.63% (Excel file: uncertainty analysis). According to methodology, real avoided emissions were discounted, multiplying its value by the result of $100\% - 19.63\% + 15\%$, resulting in 332,696 tCO₂e (Adjusted CREDD,t),

For calculating the buffer, the difference between emissions from deforestation in the baseline scenario and emissions from real deforestation was first calculated ($370,987 - 21,176 = 349,811$) and then discounted by multiplying the value by the non-permanence risk (Document: non-permanence risk tool), resulting in $349,811 * 10\% = 34,981$ tCO₂e.

According to methodology, the value of VCUs is the adjusted emissions reductions minus the buffer, hence the number of VCUs calculated for the period is: $332,696 - 34,981 = 297,714$ tCO₂e.

Year	Harvested m3	Carbon stock	t CO ₂ -e	Added emissions	VCUs	Difference
2020	22,248	10,901	39,971	21,176	297,714	257,743

To consider degradation, the total volume of timber extracted (in cubic meters) by the concessionaires temporarily excluded for the emission reduction calculations in this period (Excel file: BAM Castañeros excluidos por periodo), was multiplied by the factor 0.49 (carbon fraction, IPCC 2006) ($22,248 * 0.49 = 10,901$) to convert it to carbon, and finally multiplied by 44/12 to convert it to tCO₂e, resulting in: $10,901 * 44/12 = 39,971$ tCO₂e.

Additionally, after subtracting the emissions from legal logging (harvested m3) during the period from the calculated VCUs for 2020, the value of net emission reductions was 257,743 tCO₂e ($297,714 - 39,971 = 257,743$ tCO₂e).

Due to the methodological restriction, these 257,743 tCO₂e net emission reductions occurring in the aforementioned area have not been accounted for in the final calculations of the project. In other words, the **257,743 tCO₂e ER has not been generated in favor of the project despite having occurred as a result of the project's management, following the principle of conservatism required by the methodology.**

This demonstrates that the "exclusion" of the 54 concessions has followed a conservative approach.

3.2 Deviations

3.2.1. Methodology Deviations

According to the methodology, a Participatory Rural Appraisal must be conducted every 2 years to monitor forest degradation (fires and illegal timber) within the project area. The project conducted a PRA in 2012 and then another one in (mid) 2018. For the current

verification period, 2020, the 2018 PRA data has been used. Due to pandemic-related restrictions, another PRA could not be carried out in 2020.

The methodology suggests that the process be as follows: that the area potentially susceptible to degradation be delimited from all access points, making several transects, and thus covering at least 1% of the area susceptible to degradation to look for stumps. Then, he suggests counting the stumps and checking their importance. In contrast, the procedure followed in (PRA) 2018 was as follows: the different project partners were brought together in a meeting (focus group) to report the illegal logging that was occurring within the project area. Then, the project team together with the concessionaires went to the field to verify the occurrence of illegal logging in the total area according to what was surveyed by the concessionaires.

In terms of accuracy, the field work has considered the registration of all trees reported as illegally cut, including those that did not require the opening of new roads, but used roads already opened for BN harvesting. So, in that sense, for the sample taken, the accuracy is the highest, as it is based on measuring 100% of the reported trees.

The criteria to choose PRA locations were not related with legal logging occurrence as this is not the purpose of PRA. The non-accounted concessions (54), which presented legal/selective/artisanal levels of timber extraction, respecting the permits granted to them within their concession contract with the Peruvian state, were only excluded from the accounting of emission reductions in the period due to a methodological restriction.

It is important to mention that this is artisanal logging, carried out by the concessionaires (rural families) seldom as a legal and sustainable complementary activity within their concessions. No illegal deforestation or land use change activities have occurred or been reported in these concessions, an aspect which is evaluated by the PRA. Therefore, there is no reason to treat concessions excluded from the contribution to emissions reductions differently and consider them specifically for the PRA, since deforestation events have not occurred in those areas.

3.2.2. Project Description Deviations

During the previous monitoring period (2019), the following project deviations were described:

A1. Implementation of the forest monitoring and surveillance system

Monitoring was done communally through the same Brazil nut concessionaires. When the partners detected deforestation agents within the project area, they communicated immediately directly to FEPROCAMD, who, through the technical staff and lawyers dedicated to giving assistance to concessionaires, provided them with necessary support to

confront the threats, accompanying partners in the process of making the correspondent denunciations to the competent authorities and following up on them.

In addition, four documents related to make known the risk of illegal miners coming from La Pampa to settle in Pariamanu river and its tributaries are attached. Some meetings took place to assess budget execution.

A3. Implementation of a forest nursery

A forestry nursery will be implemented according to the technology and capacities currently developed BAM's genetic improvement program: in its more than 15 years of research working with native species BAM has accumulated a genetic capital made up of more than 850,000 trees developed from the selection of the best specimens from multiple provenances in Peru. Within this universe, the best specimens of each species were selected for the genetic improvement program.

To improve forest capacity, BAM have initiated a cutting-edge program in cooperation with the Instituto Tecnológico de Costa Rica (TEC), one of the leading institutions in research of native species worldwide and is being led by Dr. Olman Murillo, PhD with 35 years of experience in genetic improvement processes. This program entails reproducing the highest-quality individual trees: taller, thicker, healthier and straighter trees that grow efficiently.

This knowledge will be transmitted to FEPROCAMD to finally reach each of the concessionaires and, in this way, enrich the forest with native species and contribute to sustainability and local development.

A4. Enrichment by planting native species

Through the aforementioned in point A3, the selected species will be taken to the forest with the help of the FEPROCAMD.

A8. Implementation of a Brazil nut processing plant

At the beginning of the project, one of the strategies presented was the construction of a Brazil nut processing plant for the concessionaires. At that time, studies were carried out, the plant was designed, and part of the machinery and land were purchased to implement the plant. At the same time, BAM and Feprocamd carried out activities to strengthen Brazil nut producers in their position as BN nut traders:

- **Institutional strengthening (11 different associations and the consolidation of the FEPROCAMD):** which gave the Brazil nut producers a space in the country's forestry and agricultural sector. Formalizing and strengthening their organization has allowed them to have a position in front of forest authorities, regional authorities, inter-institutional roundtables, among others.

- **Fund for pre-operational capital (working capital in favor of the Project partners to finance their crops and improve their position in the market):** it was identified that many of the existing companies (BN traders) were taking advantage of the need for working capital at the beginning of each harvesting season (known as “Zafra”). For this reason, BAM provided funding to the project partners as working capital for enabling them to collect the Brazil nut fruit before selling it, allowing them not to depend on companies or intermediates that offered unfair conditions for future harvests.
- **Joint marketing strategy:** as concessionaires were already grouped together, BAM and FEPROCAMD facilitated an auction to jointly bid the production of concessionaires at the highest market bid, generating a better market position for them.

By leaving this dependency and being able to sell to the highest offer, as well as by being able to group crops of different concessionaires they strengthen their competitiveness in the market.

By the time the implementation phase of the plant was reached, the reality of the Brazil nut market had changed. At the beginning there were few processing plants in Madre de Dios. Then, and after the Project Proponent implemented different activities to improve concessionaires position in the market, the market emerged, became more dynamic and new buyers entered. Thus, after a while, many processing plants were built in Madre de Dios, which not only processed the production from Peruvian forests but also from Bolivian forests and also offered transformation services for those initiatives that were interested in national and international markets. In that different scenario and considering the limited resources from the sales of carbon credits generated in the period, an important investment of a transformation facility was no longer the best financial alternative for the project partners and that there were other immediate and priority activities needed to strengthen the project.

As a project, REDD Brazil nut concessions is always looking at the possibility of generating added value for its members and for this reason the project have been working, under the leadership of REDD+ Brazil nut concessions Projects area and in coordination with FEPROCAMD, on solutions that allow an even better market situation for project members: direct export, cooperatives, new technologies, among others.

For this verification period, the following project deviations were presented:

A1. Implementation of the forest monitoring and surveillance system

Monitoring was done communally through the same Brazil nut concessionaires. When the partners detected deforestation agents within the project area, they communicated immediately directly to FEPROCAMD, who, through the technical staff and lawyers dedicated to giving assistance to concessionaires, provided them with necessary support to

confront the threats, accompanying partners in the process of making the correspondent denunciations to the competent authorities and following up on them.

Attached: Activities 2020; Reports 2020.

The project plans to strengthen its monitoring system, scaling it up to a three-level control: through satellite technologies, governmental information/legal support, and in-field efforts.

A3. Implementation of a forest nursery

A forestry nursery will be implemented according to the technology and capacities currently developed BAM's genetic improvement program: in its more than 15 years of research working with native species BAM has accumulated a genetic capital made up of more than 850,000 trees developed from the selection of the best specimens from multiple provenances in Peru. Within this universe, 10 best specimens of each species were selected for the genetic improvement program.

To improve forest capacity, BAM have initiated a cutting-edge program in cooperation with the Instituto Tecnológico de Costa Rica (TEC), one of the leading institutions in research of native species worldwide and is being led by Dr. Olman Murillo, PhD with 35 years of experience in genetic improvement processes. This program entails reproducing the highest-quality individual trees: taller, thicker, healthier and straighter trees that grow efficiently.

It will be implemented through the current genetic improvement program, which after 15 years of research in native species has generated that we accumulate a genetic capital made up of more than 850,000 trees developed from the selection of the best specimens from multiple provenances in Peru.

Up to now, "plus trees" have been selected, of *S. amara* and of *D. micrantha*. The first shoots have been obtained, receiving recommendations from the advisor Dr. Olman Murillo of TEC - Costa Rica, indicating the best way to induce shoots by applying phytohormones, clearing cover and weeds for better lighting around the plus tree and fertilizing it. To date, the first shoots have been obtained, as part of a progressive testing process, receiving recommendations from the advisor Dr. Olman Murillo of TEC - Costa Rica.

Propagation trials have also been carried out with buds from *D. micrantha* cuttings, with controlled external provenance; the first two rooted *D. micrantha* plants have been obtained.

Clonal nursery infrastructure

The definition of the location and dimensioning of the work has already been completed, and the preparation of the technical files has begun, as well as the electricity and water supply. In this first stage, a production capacity of 400,000 plants will be set up, and in a second stage, 1 million plants will be produced in the Ucayali area.

Attached: *Genetic improvement program proposal*

A4. Enrichment by planting native species

Through the aforementioned in point A3, the selected species will be taken to the forest with the help of the FEPROCAMD. In addition, requests were sent to forest enrichment by Brazil nut trees to the National Service of Forest and Wildlife.

Attached: denuncia19_superposicion20; CARTA N° 103-2020-FEPRQ_CAMD-MDD-DAJT; Propuesta económica para enriquecimiento de bosque; Propuesta de proyecto de enriquecimiento de bosque en concesiones de castaña; Justificación para el enriquecimiento de bosque.

A8. Implementation of a Brazil nut processing plant

At the beginning of the project, one of the strategies presented was the construction of a Brazil nut processing plant for the concessionaires. At that time, studies were carried out, the plant was designed, and part of the machinery and land were purchased to implement the plant. At the same time, BAM and FEPROCAMD carried out activities to strengthen Brazil nut producers in their position as BN nut traders:

- **Institutional strengthening (11 different associations and the consolidation of the FEPROCAMD):** which gave the Brazil nut producers a space in the country's forestry and agricultural sector. Formalizing and strengthening their organization has allowed them to have a position in front of forest authorities, regional authorities, inter-institutional roundtables, among others.
- **Fund for pre-operational capital (working capital in favor of the Project partners to finance their crops and improve their position in the market):** it was identified that many of the existing companies (BN traders) were taking advantage of the need for working capital at the beginning of each harvesting season (known as "Zafra"). For this reason, BAM provided funding to the project partners as working capital for enabling them to collect the Brazil nut fruit before selling it, allowing them not to depend on companies or intermediates that offered unfair conditions for future harvests.
- **Joint marketing strategy:** as concessionaires were already grouped together, BAM and FEPROCAMD facilitated an auction to jointly bid the production of concessionaires at the highest market bid, generating a better market position for them.

By leaving this dependency and being able to sell to the highest offer, as well as by being able to group crops of different concessionaires they strengthen their competitiveness in the market.

By the time the implementation phase of the plant was reached, the reality of the Brazil nut market had changed. At the beginning there were few processing plants in Madre de Dios. Then, and after the Project Proponent implemented different activities to improve concessionaires position in the market, the market emerged, became more dynamic and new

buyers entered. Thus, after a while, many processing plants were built in Madre de Dios, which not only processed the production from Peruvian forests but also from Bolivian forests and also offered transformation services for those initiatives that were interested in national and international markets. In that different scenario and considering the limited resources from the sales of carbon credits generated in the period, an important investment of a transformation facility was no longer the best financial alternative for the project partners and that there were other immediate and priority activities needed to strengthen the project.

As a project, REDD Brazil nut concessions is always looking at the possibility of generating added value for its members and for this reason the project have been working, under the leadership of REDD+ Brazil nut concessions Projects area and in coordination with FEPROCAMD, on solutions that allow an even better market situation for project members: direct export, cooperatives, new technologies, among others.

Suggestion box

In addition, regarding the implementation of the System of Complaints and Conflicts, according to the flowchart presented in the PDD, the mailbox should have been installed in the provincial municipalities of Tahuamanu and Tambopata, and after receiving the signed complaint should be sent for communication to the project manager for internal evaluation. However, in practice it was not feasible to install it in each municipality because they are governmental entities and the Project cannot use these facilities. So, it was decided to install it in the Federation, because it is the authority that brings together the largest number of Brazil nut concessionaires.

3.3 Grouped Projects

For this 2020 verification period, no new BN concessionaires have been included as project partners.

4 DATA AND PARAMETERS

4.1 Data and Parameters Available at Validation

Data / Parameter	Map of Forest / Non-forest Coverage in the Reference region.
Data unit	n/a
Description	Map that shows the stratification and location of forest and non-forest areas in the Reference Region at the beginning of the accreditation.

Source of data	Landsat satellite images.
Value applied	n/a
Justification of choice of data or description of measurement methods and procedures applied	The Landsat images have the adequate resolution and they are an available tool to all public.
Purpose of Data	Through the accuracy assessment. (QA/QC)
Comments	The stratification is based on the Ecological and Economic Zoning of the Region of Madre de Dios, that was developed by the IIAP in 2009 and it is used by the regional government as its official source. Non-forest has been determined as beach and water bodies areas. In addition, there are other areas that are access roads (rivers, bridges, alternate roads, the Interoceanic Highway).

Data / Parameter	Map of Forest Coverage in the Project Area.
Data unit	n/a
Description	Map that shows the stratification and location of forest areas in the Project area at the beginning of the accreditation.
Source of data	Landsat satellite images.
Value applied	n/a
Justification of choice of data or description of measurement methods and procedures applied	The Landsat images have the adequate resolution and they are an available tool to all public.
Purpose of Data	Through the accuracy assessment. (QA/QC)
Comments	The stratification is based on the Ecological and Economic Zoning of the Region of Madre de Dios, that was developed by the IIAP in 2009 and it is used by the regional government as its official source. Non-forest has been determined as beach and water bodies areas. In addition, there are other areas that are access roads (rivers, bridges, alternate roads, the Interoceanic Highway). To date there is no other use but forest usage.

Data / Parameter	Map of Forest Coverage in the Leakage Belt.
Data unit	n/a

Description	Map that shows the stratification and location of forest in the Leakage belt at the beginning of the accreditation.
Source of data	Landsat satellite images.
Value applied	n/a
Justification of choice of data or description of measurement methods and procedures applied	The Landsat images have the adequate resolution and they are an available tool to all public.
Purpose of Data	Through the accuracy assessment. (QA/QC)
Comments	The stratification is based on the Ecological and Economic Zoning of the Region of Madre de Dios, that was developed by the IIAP in 2009 and it is used by the regional government as its official source. Non-forest has been determined as beach and water bodies areas. In addition, there are other non-forested areas that used as access roads (rivers, bridges, Interoceanic Highway, alternate roads).

Data / Parameter	Deforested Area in the Project Area
Data unit	Ha
Description	Total deforested area during the term of reference (until 2009).
Source of data	Valued taken from the Landsat 7 satellite images, used by the Deforestation Model of Madre de Dios.
Value applied	87,805.65
Justification of choice of data or description of measurement methods and procedures applied	The Landsat images have the adequate resolution and they are an available tool to all public.
Comments	n/a

Data / Parameter	Carbon stock of the sources in the forest stratum.
Data unit	T CO ₂ e / ha
Description	Carbon stock by stratum in baseline before deforestation.
Source of data	Determined from carbon stock estimation carried out in Madre de Dios:

	- Carbon Stock – Belgium Community (Madre de Dios). - Forest concession of forest stocks MADERYJA and MADERACRE. Carbon stock - REDD Project Bahuaja –Sonene.
Value applied	BTI 457.54 tCO₂ / ha PA 943.09 tCO₂/ ha BPT 506.72 tCO₂/ ha BT 1015.95 tCO₂/ ha P 761.93 tCO₂/ ha BCB 1040 tCO₂/ ha BPCB 496.57 tCO₂/ ha
Justification of choice of data or description of measurement methods and procedures applied	Inventories have been carried out in nearby areas and with forest stratum similar to the project in the region of Madre de Dios. The next steps were followed: - Parcels were built in the different stratum. - DBH (Diameter Breast Height) and HT (Total Height) were taken from each individual found. - It was determined the aerial biomass based in the Chavé formula for trees and Winrock for palm trees. Factor 0.24 was used to determine the root biomass according to module CP-AB.
Comments	The exact data for each stratum is found in module CP-AB.

Data / Parameter	Change in the land use.
Data unit	%
Description	Percentages of the project area that will change the land use after deforestation.
Source of data	Determined according to the studies of land use carried out in the region of Madre de Dios. CDC, UNALM, SZF, INRENA 2007.
Value applied	54 % Farming 4 % Farmland 40 % Pasture 2 % Infrastructure
Justification of choice of data or description of measurement methods and procedures applied	The study mentioned has been carried out in areas that include the Project Area, or next to them. Furthermore, this data is updated and actors that are also in our areas have been considered.
Comments	n/a

Data / Parameter	Emissions by biomass burning
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Data unit	T CO ₂ e
Description	Tons of CO ₂ equivalents, coming from emissions of CH ₄ and N ₂ O by forest burning and agriculture residues.
Source of data	Factors of module E-BB were used (table 2.6 and 2.5) for tropical forest. Likewise, it was used the combustion factor of table 2.6 by agriculture biomass burning. The deforested forest percentage that is burnt has been taken from official sources ⁶ .
Value applied	Used values: - 55 % of the deforested forest is burnt. - Combustion factor Tropical Humid Forest = 0.5 Agriculture Residues (Corn) = 0.8 - Emission Factor Tropical Forest = 6.8 (CH ₄) and 0.2 (N ₂ O) Agriculture Residues = 2.7 (CH ₄) and 0.07 (N ₂ O).
Justification of choice of data or description of measurement methods and procedures applied	The percentage of 55% is moderate. Some experts consulted consider that 100% of hectares that are torn down are burnt.
Comments	n/a

4.2 Data and Parameters Monitored

DATA AND PARAMETERS FOR BASELINE RENEWAL

Data / Parameter	Regional Forest / Non-forest Cover Benchmark Map
Data unit	Ha
Description	Map that shows the stratification and location of forest and non-forest areas in the Reference Region RRD at the beginning of the accreditation.
Source of data	Landsat satellite images.

⁶Deforestation map of the Peruvian Amazon – 2000. MINAM (2009).

Description of measurement methods and procedures to be applied	The Landsat images have an adequate resolution and they are an available tool to all public.
Frequency of monitoring/recording	At minimum 3 times over the 10 years leading up to baseline renewal.
Value monitored	
Monitoring equipment	
QA/QC procedures to be applied	Through the accuracy assessment.
Comments	The stratification was based on the Ecological and Economic Zoning of the Region of Madre de Dios. It was developed by the IIAP in 2009 and the regional government uses it as its official source. Non-forest has been determined as beach and water bodies areas. In addition, there are other areas that are access roads (rivers, bridges, alternate roads, the Interoceanic Highway).

Data / Parameter	Project Forest Cover Benchmark Map.
Data unit	Ha
Description	Map that shows the stratification and location of forest areas in the Project area at the beginning of the accreditation (100% forested).
Source of data	Landsat satellite images.
Description of measurement methods and procedures to be applied	The Landsat images have an adequate resolution and they are an available tool to all public.
Frequency of monitoring/recording	At minimum every 10 years prior to baseline renewal.
Value monitored	

Monitoring equipment	
QA/QC procedures to be applied	Through the accuracy assessment.
Comments	The stratification was based on the Ecological and Economic Zoning of the Region of Madre de Dios. It was developed by the IIAP in 2009 and the regional government uses it as its official source. Non-forest has been determined as beach and water bodies areas. In addition, there are other areas that are access roads (rivers, bridges, alternate roads, the Interoceanic Highway). To date there is no other use but forest usage.

Data / Parameter	Leakage Belt Forest Cover Benchmark Map.
Data unit	Ha
Description	Map that shows the stratification and location of forest in the Leakage belt at the beginning of the accreditation (100% forested).
Source of data	Landsat satellite images.
Description of measurement methods and procedures to be applied	The Landsat images have an adequate resolution and they are an available tool to all public.
Frequency of monitoring/recording	At minimum every 10 years prior to baseline renewal.
Value monitored	
Monitoring equipment	
QA/QC procedures to be applied	Through the accuracy assessment.
Comments	The stratification was based on the Ecological and Economic Zoning of the Region of Madre de Dios. It was developed by the IIAP in 2009 and the regional government uses it as its official source. Non-forest has been determined as beach and water bodies areas. In addition, there are other non-forested areas that

	used as access roads (rivers, bridges, Interoceanic Highway, alternate roads).
Data / Parameter	A_i
Data unit	Ha
Description	Total area of each stratum i .
Source of data	Landsat satellite images.
Frequency of monitoring/recording	Frequency at a minimum every 10 years prior to baseline renewal.
Value monitored	
Monitoring equipment	
Comments	Ex-ante it is assumed that strata area will remain constant.

Data / Parameter	$A_{RRD, \text{unplanned}, \text{hrp}}$
Data unit	Ha
Description	Total deforested area during the term of reference (until 2009) in the RRD.
Source of data	Valued taken from the Landsat 7 satellite images, used by the Deforestation Model of Madre de Dios.
Description of measurement methods and procedures to be applied	The Landsat images have the adequate resolution and they are a free and available tool to all public.
Value monitored	-
Monitoring equipment	
Comments	Monitored for the purpose of baseline revisions.

Data / Parameter	<i>CF</i>
Data unit	t C t ⁻¹ d.m.
Description	Carbon fraction of dry matter.
Source of data	Value taken from IPCC 2006 INV GLs AFOLU Chapter 4 Table 4.3
Description of measurement methods and procedures to be applied	The value chosen is 0.49 t C t ⁻¹ d.m. for Tropical Forests.
Value monitored	-
Monitoring equipment	
Comments	n/a

Data / Parameter	<i>CF_j</i>
Data unit	t C t ⁻¹ d.m.
Description	Carbon fraction of biomass for tree species j
Source of data	Value taken from IPCC 2006 INV GLs AFOLU Chapter 4 Table 4.3.
Description of measurement methods and procedures to be applied	The value chosen is 0.49 t C t ⁻¹ d.m. for Tropical Forests.
Value monitored	-
Monitoring equipment	
Comments	n/a

Data / Parameter	D_j
Data unit	t d.m. m ⁻³
Description	Basic wood density in t d.m. m ⁻³ for species j .
Source of data	National species-specific densities. For species-specific wood densities not available, it is used the mean wood density value Regional average (0.60 t d.m.m-3- tropical America) from Reyes 1992 and Brown, S. 1997.
Description of measurement methods and procedures to be applied	Species densities have been taken from different sources of national species-specific researches being the main ones: - Evaluation of mechanical and physical properties and probable uses of the wood of 20 species in Jenaro Herrera, Loreto – Perú (Aróstegui and Acevedo). - Summary of technical information of 32 tree species. Peruvian Confederation of Wood. 2008. CPM. CITE Madera. Global wood density database. (Chavé et al., 2009).
Value monitored	
Monitoring equipment	
Comments	n/a

Data / Parameter	D_{mn}
Data unit	t d.m. m ⁻³
Description	Mean wood density of commercially harvested species.
Source of data	National species-specific densities. For species-specific wood densities not available, it is used the mean wood density value Regional average (0.60 t d.m.m-3- tropical America) from Reyes 1992 and Brown, S. 1997.
Description of measurement methods and procedures to be applied	Species densities have been taken from different sources of national species-specific researches being the main ones: - Evaluation of mechanical and physical properties and probable uses of the wood of 20 species in Jenaro Herrera, Loreto – Perú (Aróstegui and Acevedo).

	- Summary of technical information of 32 tree species. Peruvian Confederation of Wood. 2008. CPM. CITE Madera. Global wood density database. (Chavé et al., 2009).
Value monitored	-
Monitoring equipment	
Comments	n/a

Data / Parameter	$f_j(X,Y)$
Data unit	t d.m. tree ⁻¹
Description	Allometric equation for species j linking measured tree variable (s) to aboveground biomass of living trees, expressed as t d.m. tree ⁻¹
Source of data	The Chavé formula for trees and Winrock for palm trees.
Description of measurement methods and procedures to be applied	Both formulas have been taken from: - Pearson, T., Walker, S. and Brown, S. 2005. Sourcebook for Land Use, Land-Use Change and Forestry Projects. Winrock International and the World Bank Biocarbon Fund. 57pp. Chave, J, et. Al. 2005. Tree allometry and improved estimation of carbon stocks and balance in tropical forests. Oecología 145: 87-99.
Value monitored	
Monitoring equipment	
Comments	The validation of the equations will be performed with either of both methods presented in VMD0015 module: - Limited Measurements - Destructive sampling

Data / Parameter	Carbon stock in all pools in the forest stratum.
Data unit	T CO ₂ e / ha
Description	Carbon stock by stratum in baseline before deforestation.

Source of data	Determined from carbon inventories carried out in the Project Area.
Value applied	BTI 398.54 T CO ₂ / ha PA 911.8 T CO ₂ / ha BPT 477.1 T CO ₂ / ha BT 945.1 T CO ₂ / ha P 726.9 T CO ₂ / ha BCB 1010.7 T CO ₂ / ha BPCB 475.2 T CO ₂ / ha
Description of measurement methods and procedures to be applied	- The inventory was made in year 2011 inside the Project Area. - Parcels were built in the different stratum. - DBH and HT were taken from each individual found. - It was determined the aerial biomass based in the Chavé formula for trees and Winrock for palm trees. - Factor 0.24 was used to determine the root biomass according to module CP-AB.
Value monitored	11,426.92
Monitoring equipment	
Comments	The exact data for each stratum is found in module CP-AB.

Data / Parameter	Change in the land use.
Data unit	%
Description	Percentages of the project area that will change the land use after deforestation.
Source of data	Determined according to the studies of land use carried out in the region of Madre de Dios. CDC, UNALM, SZF, INRENA 2007.
Value applied	54 % Farming 4 % Farmland 40 % Pasture 2 % Infrastructure
Description of measurement methods and procedures to be applied	The study mentioned has been carried out in areas that include the Project Area, or next to them. Furthermore, this data is updated and actors that are also in our areas have been considered.
Value monitored	
Monitoring equipment	

Comments	n/a
Data / Parameter	Emissions by biomass burning.
Data unit	T CO ₂ e
Description	Tons of CO ₂ equivalents, coming from emissions of CH ₄ and N ₂ O by forest and agriculture residues burning.
Source of data	Factors of module E-BB were used (table 2.6 and 2.5) for tropical forest. Likewise, it was used the combustion factor of table 2.6 by agriculture biomass burning. The deforested forest percentage that is burnt after deforestation has been taken from official sources ⁷ .
Value applied	Used values: - 55 % of the deforested forest is burnt. - Combustion factor. Tropical Humid Forest = 0.5 Agriculture Residues (Corn) = 0.8 - Emission Factor Tropical Forest = 6.8 (CH ₄) and 0.2 (N ₂ O) Agriculture Residues = 2.7 (CH ₄) and 0.07 (N ₂ O).
Description of measurement methods and procedures to be applied	The percentage of 55% is moderate. Some experts consulted consider that 100% of hectares that are torn down are burnt.
Value monitored	960.94
Monitoring equipment	
Comments	n/a

DATA AND PARAMETERS MONITORED FOR VERIFICATION

Data Unit / Parameter:	Project Forest Cover Monitoring Map.
Data unit:	ha
Description:	Map evidencing the stratification and location of the forest in the Project area at the beginning of each

	verification period. It has to be evidenced if within the Project area there are deforested areas.
Source of data:	Satellite images and field verification of deforested areas if any (GPS).
Description of measurement methods and procedures to be applied:	By using satellite images covering the Project Area it would be determined if there are any variations in the forest stratum identified in the project area. In case there are deforested areas it would be verified in field and confirmed by using GPS.
Frequency of monitoring / recording:	Every 5 years with images. Verification of deforested areas will be permanent in field by the surveillance carried out by the monitoring equipment.
Value monitored	281.629,23
Monitoring equipment	<i>Software GIS, available satellite images, GPS, professional monitoring equipment in field.</i>
QA/QC procedures to be applied:	<i>Permanent verification of the area of the project surfaces.</i>
Comments:	<i>Stratification is the same as the one used at the beginning of the term.</i>

Data Unit / Parameter:	Leakage Belt Forest Cover Monitoring Map.
Data unit:	Ha
Description:	Map evidencing the stratification and location of the forest in the Leakage Belt at the beginning of each verification period. It has to be evidenced if there are deforested areas.
Source of data:	Satellite images and field verification of deforested areas if any (GPS).
Description of measurement methods and procedures to be applied:	By using satellite images covering the Leakage Belt it would be determined if there are any variations in the forest stratum identified in the Leakage Belt. In case there are deforested areas it would be verified in field and confirmed by using GPS.
Frequency of monitoring/recording:	Every 5 years with images.
Value monitored:	706,555.52

Monitoring equipment:	<i>Software GIS, available satellite images, GPS, professional monitoring equipment in field.</i>
QA/QC procedures to be applied:	<i>Permanent verification of the area of the project surfaces. Also, through the accuracy assessment.</i>
Any comment:	<i>Stratification is the same as the one used at the beginning of the term.</i>

Data Unit / Parameter:	Degradation PRA Results											
Data unit:	t CO2											
Description:	The PRA will be executed from interviews and/or surveys to local actors with the purpose of identifying the existence of depredation potential within the area of the project due to: • Extraction of firewood. • Illegal logging If the $\geq 10\%$ of the surveys indicate that there is a risk of depredation then the procedures to verify and estimate the depredation should be executed. An additional result of the PRA would be the penetration distance that should be applied to calculate the area with depredation potential (buffer area).											
Source of data:	PRA 2018											
Description of measurement methods and procedures to be applied:	It would be developed according to the provisions set forth in the M-MON.											
Frequency of monitoring/recording:	Every 2 years.											
Value monitored:	6,135. Not significant.											
Monitoring equipment:	PRA sociologist in charge with focusing criteria.											
QA/QC procedures to be applied:	There would be templates to carry out surveys and/or interviews.											
Any comment:	<table><tr><th>Project Partner</th><th>Contract</th><th>Sector</th></tr><tr><td>Pedro Quispe Quispe</td><td>17-TAM/C-OPB-J-083-03</td><td>Planchon</td></tr><tr><td>Francisco Chavez</td><td>17-TAM/C-OPB-A-</td><td>1ero Mayo</td></tr></table>			Project Partner	Contract	Sector	Pedro Quispe Quispe	17-TAM/C-OPB-J-083-03	Planchon	Francisco Chavez	17-TAM/C-OPB-A-	1ero Mayo
Project Partner	Contract	Sector										
Pedro Quispe Quispe	17-TAM/C-OPB-J-083-03	Planchon										
Francisco Chavez	17-TAM/C-OPB-A-	1ero Mayo										

	Chura	147-04	
	Cecilia Cacuna Racua	17-TAM/C-OPB-J-152-03	Río Manuripe - Colpac
	Oscar Sahuarico Begazo	17-TAH/C-OPB-J-122-04	Alerta
	Eleuterio Jurado Frisancho	17-TAM/C-OPB-A-209-04	Quebrada Galindo
	Abigail Sanz Salinas	17-TAM/C-OPB-A-112-04	Río Paríamanu
	Manuel Quispe Gutiérrez	17-TAM/C-OPB-J-025-03	Planchon
	Mateo Vargas Dueñas	17-TAM/C-OPB-A-125-04	Botijón
	Mirian Marice Herbozo Reategui	17-TAH/C-OPB-J-095-04	La Novia
	Santiago Taipe Chuima	17-TAH/C-OPB-J-023-04	Alerta

Data Unit / Parameter:	Results of Limited Degradation Survey
Data unit:	Stumps.
Description:	Verification of degradation processes in the project area.
Source of data:	Field measurements.
Description of measurement methods and procedures to be applied:	If PRA indicates there is degradation potential, then the procedures to verify the degradation occurrence should take place. Sampling transects are distributed across the buffer area with the purpose of identifying if there are new tree-stumps. Transects should cover a surface of no less than 1% of the buffer area.
Frequency of monitoring/recording:	Each time the PRA indicates there is degradation potential to the project area.
Value monitored:	17
Monitoring equipment:	GPS, compass, tape line.
QA/QC procedures to be applied:	Trained staff for field measurement.
Any comment:	n/a

Data Unit / Parameter:	$A_{burn, i, t}$
Data unit:	Ha
Used in equations:	Section 2.2.2
Description:	Area burnt in stratum i at time t . The monitoring will be carried out, if there is any record of any burnt area within the project area, on each stratum and year of the project.
Source of data:	Field measurements.
Description of measurement methods and procedures to be applied:	If there is a record of a burning, it will be indicated the type of forest and burnt area to determine the GHG emissions (CH_4 and N_2O). If possible, the new use of the land will also be indicated.
Frequency of monitoring/recording:	Every time there is an occurrence.
Value monitored:	275.80
Monitoring equipment:	GPS
QA/QC procedures to be applied:	n/a
Any comment:	Ex-ante burnt areas (baseline) have been determined by interviewing experts and by what it is known in the region of Madre de Dios. The obtained value will be used in the EBB module.

Data Unit / Parameter:	$A_{DefPA, i, t}$		
Data unit:	Ha.		
Description:	Deforested area in the Project area by type of forest.		
Source of data:	Satellite images.		
Description of measurement methods and procedures to be applied:	The images used will be compatible with the ones already used in the estimations ex-ante in order to be compared.		
Frequency of monitoring / recording:	Every 5 years with satellite images. Constant monitoring in field.		
Value monitored:	<table border="1"> <tr> <td>Stratum</td><td>HA</td></tr> </table>	Stratum	HA
Stratum	HA		

	Bosque de terraza inundable	0
	Pantano arboreo	8.02
	Bosque con paca de terrazas altas y medias	6.64
	Bosque de terraza	230.31
	Pacal	0
	Bosque de colina baja	11.27
	Bosque con paca de colinas bajas	19.56
	TOTAL	275.80
Monitoring equipment:	<i>Software GIS, available satellite images, verification in field with GPS and professional equipment.</i>	
QA/QC procedures to be applied:	n/a	
Any comment:	If there is a change in the land use, the new use and GHG emission (CH ₄ or N ₂ O) will be registered by arboreal and agricultural biomass burning, and incorporation of nitrogen. This will be registered and recorded.	

Data Unit / Parameter:	$A_{DefLB, i, t}$								
Data unit:	Ha.								
Description:	Deforested area in the Leakage belt by type of forest.								
Source of data:	Satellite images.								
Description of measurement methods and procedures to be applied:	The images used will be compatible with the ones already used in the estimations ex-ante in order to be compared.								
Frequency of monitoring/recording:	Every 5 years with satellite images. Constant monitoring in field.								
Value monitored:	<table><tr><td>Stratum</td><td>HA</td></tr><tr><td>Bosque de terraza inundable</td><td>211.55</td></tr><tr><td>Pantano arboreo</td><td>313.46</td></tr></table>			Stratum	HA	Bosque de terraza inundable	211.55	Pantano arboreo	313.46
Stratum	HA								
Bosque de terraza inundable	211.55								
Pantano arboreo	313.46								

	Bosque con paca de terrazas altas y medias	92.49
	Bosque de terraza	1,166.53
	Pacal	3.50
	Bosque de colina baja	60.03
	Bosque con paca de colinas bajas	60.70
	TOTAL	1,908.27
Monitoring equipment:	Software GIS, available satellite images, verification in field with GPS and professional equipment.	
QA/QC procedures to be applied:	n/a	
Any comment:	Deforestation shall be confirmed at least every five years in the Leakage belt and verified with what is determined in baseline in order to assess if there is any leakage or not caused by the project.	

Data Unit / Parameter:	$A_{DegW,i}$
Data unit:	Ha
Description:	Area under potential degradation process. Buffer area resulting from PRA, if it shows that there is potential degradation in the Project Area.
Source of data:	GIS delineation and ground trothing.
Description of measurement methods and procedures to be applied:	The buffer area shall be composed from all access points. The length is obtained from the PRA results, and the width shall be equal to the length.
Frequency of monitoring/recording:	Must be repeated each time the PRA indicates a potential for degradation
Value monitored:	6,740
Monitoring equipment:	GIS software
QA/QC procedures to be applied:	n/a
Any comment:	There is no evidence of degraded areas or parcels ex-ante within the project area.

Data Unit / Parameter:	$A_{DECKS, i, t}$
Data unit:	Ha
Description:	Area of logging decks in stratum <i>i</i> at time <i>t</i> .
Source of data:	Field measurements.
Justification of choice of data or description of measurement methods and procedures applied:	A systematic sampling to ensure all decks within area logged are identified and a conservative estimate of area produced.
Value monitored	0
Monitoring equipment	
QA/QC procedures to be applied:	At least every 5 years.
Any comment:	Ex-ante estimations will be based on field measurements once FSC is implemented.

Data Unit / Parameter:	$A_{DistPA, q, l, t}$
Data unit:	Ha
Description:	Area impacted by natural disturbance in the project stratum <i>i</i> converted to natural disturbance stratum <i>q</i> at time <i>t</i> ; ha.
Source of data:	Satellite images and GPS coordinates.
Justification of choice of data or description of measurement methods and procedures applied:	Minimum monitoring unit equal to a minimum of 11 Landsat pixels or one hectare.
Value monitored	0
Monitoring equipment	
QA/QC procedures to be applied:	At least every 5 years.
Any comment:	Ex ante estimations of emissions from natural disturbances will be based on historic incidence of such event in the Project region.

Data Unit / Parameter:	$A_{ROAD, i, t}$
Data unit:	Ha
Used in equations:	17
Description:	Area of roads in stratum i at time t .
Source of data:	Field measurements.
Justification of choice of data or description of measurement methods and procedures applied:	The area of roads is based on the length of roads times the average width of roads. Both length and width of roads will be estimated through systematic samplings, with sufficient number of measurements, and a precision equal or less than 15% of the mean at 95% confidence interval.
Value monitored	0
Monitoring equipment	
QA/QC procedures to be applied:	At least every 5 years.
Any comment:	Ex-ante estimations will be based on field measurements once FSC is implemented.

Data Unit / Parameter:	$A_{RRL, forest, t}$
Data unit:	Ha
Used in equations:	n/a
Description:	Remaining area of forest in RRL.
Source of data:	Satellite images.
Description of measurement methods and procedures to be applied:	The images used will be compatible with the ones already used in the estimations ex-ante in order to be compared.
Frequency of monitoring/recording:	Must be monitored at least every 5 years or if verification occurs on a frequency of less than every 5 years examination must occur prior to any verification event.
Value monitored	1,561,754.39
Monitoring equipment	

QA/QC procedures to be applied:	n/a
Any comment:	There is no evidence of degraded areas or parcels ex-ante within the project area.

Data Unit / Parameter:	AP_i
Data unit:	Ha.
Used in equations:	8
Description:	Total degraded area verified by sampling plots.
Source of data:	Ground measurement.
Description of measurement methods and procedures to be applied:	The sampling plan must be designed using plots systematically placed over the buffer zone so that they sample at least 3% of the area of the buffer zone.
Frequency of monitoring/recording:	Every time the Limited Degradation Survey indicates degradation (existence of stumps), or at least every 5 years.
Value monitored:	566.89
Monitoring equipment:	GPS, field equipment: tape line, compass. And field staff.
QA/QC procedures to be applied:	Trained staff for field measurement.
Any comment:	There is no evidence of depredated areas or parcels ex-ante within the project area.

Data Unit / Parameter:	$C_{DegW, i, t}$
Data unit:	T CO ₂ -e
Description:	Biomass carbon of removed trees through degradation process within the project area.
Source of data:	Field measurement.
Description of measurement methods and procedures to be applied:	With the tree-stumps identified during the evaluation of sampling parcels of the buffer area, the following procedures should be considered: - Take the diameter of the tree-stumps that will be assumed as DBH. In case they are too big

		(for example, due to buttress roots), then the specimen should be identified and place other individuals of the same species standing next to it. Then, measure their DBH and tree-stumps diameter. With this data, DBH should be estimated as from the tree-stumps diameter of the individuals deforested. - With DBH data, the carbon stock of individuals deforested is calculated using an allometric equation, yet to be defined. - It will be assumed that all stock will be send to the atmosphere.
Frequency of monitoring/recording:	of	Every time there is a degradation event or at least every 5 years.
Value monitored:		309.85
Monitoring equipment:		GPS, field equipment: tape line, compass. And field staff.
QA/QC procedures to be applied:		n/a
Calculation method:		Through an allometric equation, using the DBH as one of its variables.
Any comment:		n/a

Data Unit / Parameter:		$C_{AB_tree_dest,i}$
Data unit:		T CO ₂ -e ha ⁻¹
Description:		Carbon stock in aboveground tree biomass assumed to be killed per unit area resulting from the creation of the skid trail per stratum.
Source of data:		CP-AB and documentation stating maximum size tree able to be killed during skid trail creation.
Description of measurement methods and procedures to be applied:		It is assumed that $C_{AB_tree_dest,i} = C_{AB_tree,i}$ in the baseline.
Any comment:		n/a
Frequency of monitoring/recording:	of	Every 5 years.
Value monitored:		0
Monitoring equipment:		

Data Unit / Parameter:	$C_{BB_tree_dest,i}$
Data unit:	T CO ₂ -e ha ⁻¹
Description:	Carbon stock in belowground tree biomass assumed to be killed per unit area resulting from the creation of the d trail per stratum.
Source of data:	$C_{AB_tree_dest,i}$
Description of measurement methods and procedures to be applied:	Estimation of belowground biomass will be performed following the procedures set in module CP-AB.
Value monitored:	0
Monitoring equipment:	
Any comment:	The root-to-shoot ratio 0.24 is used (same used in baseline carbon stock calculations).
Frequency of monitoring/recording:	Every 5 years.

Data Unit / Parameter:	F_{LU}
Data unit:	Dimensionless
Description:	Land use factor before or after conversion.
Source of data:	Stock Change Factors are provided in Tables 5.5, 5.10, and 6.2 of the IPCC 2006GL Volume 4.
Description of measurement methods and procedures to be applied:	This parameter did not was applied because the concessionaires who was logging were temporarily excluded of the project (for this monitoring period).
Value monitored:	0
Monitoring equipment:	
Any comment:	n/a

Data Unit / Parameter:	F_{MG}
Data unit:	Dimensionless
Description:	Management factor before or after conversion.

Source of data:	Stock Change Factors are provided in Table 5.5, 5.10, and 6.2 of the IPCC 2006GL Volume 4.
Description of measurement methods and procedures to be applied:	This parameter did not was applied because the concessionaires who was logging were temporarily excluded of the project (for this monitoring period).
Value monitored:	0
Monitoring equipment:	
Any comment:	n/a

Data Unit / Parameter:	F_i
Data unit:	Dimensionless
Description:	Input factor before or after conversion.
Source of data:	Stock Change Factors are provided in Table 5.5, 5.10, and 6.2 of the IPCC 2006GL Volume 4.
Description of measurement methods and procedures to be applied:	This parameter did not was applied because the concessionaires who was logging were temporarily excluded of the project (for this monitoring period).
Value monitored:	0
Monitoring equipment:	
Any comment:	n/a

Data Unit / Parameter:	L_{sk}
Data unit:	M
Description:	Length of skid trail sk.
Source of data:	Field measurements.
Description of measurement methods and procedures to be applied:	A systematic sampling with random start within a sampled known logged area within the project boundary will produce an estimate of the length of skid trails created. The total length of skid trails in the project area equals the mean length of skid trails per unit area times the total area logged.
Value monitored:	0

Monitoring equipment:	
Any comment:	n/a
Frequency of monitoring/recording:	Every 5 years.

Data Unit / Parameter:	$V_{EXT,z,i,t}$
Data unit:	m^3
Description:	Volume extracted from logging stratum z in stratum i at time t .
Source of data:	Records and reports (based on field measurements) documenting amount of wood extracted within project boundary.
Description of measurement methods and procedures to be applied:	This parameter did not was applied because the concessionaires who was logging were temporarily excluded of the project (for this monitoring period).
Value monitored	0
Monitoring equipment:	
Any comment:	n/a
Frequency of monitoring/recording:	Every 5 years.

Data Unit / Parameter:	$V_{EXT,j,z,i,t}$
Data unit:	m^3
Description:	Volume of timber extracted of species j for logging stratum z , in stratum i at time t .
Source of data:	Records of wood extracted.
Description of measurement methods and procedures to be applied:	This parameter did not was applied because the concessionaires who was logging were temporarily excluded of the project (for this monitoring period).
Value monitored:	0
Monitoring equipment:	
Any comment:	n/a

Data Unit / Parameter:	W _{SKID}
Data unit:	M
Description:	Mean width of skid trails.
Source of data:	Field measurements.
Description of measurement methods and procedures to be applied:	This parameter did not was applied because the concessionaires who was logging were temporarily excluded of the project (for this monitoring period).
Value monitored:	0
Monitoring equipment:	
Any comment:	n/a

Data Unit / Parameter:	Sequestered carbon in Forest Enrichment areas in forest concessions.
Data unit:	T CO ₂ / year
Description:	Sequestered carbon in trees due to Forest Enrichment in concessions (Project Area).
Source of data:	Growth Register in Permanent Parcels. Growth in DBH and growth in height.
Description of measurement methods and procedures to be applied:	Annual entries of reforested species will be kept on enrichment parcels with the purpose to know which is the annual increase volume and then take it to T CO ₂ /ha (through allometric equations or other indirect calculation).
Frequency of monitoring/recording:	Annual.
Value monitored:	Measured in field.
Monitoring equipment:	Tape line, GPS.
QA/QC procedures to be applied:	n/a
Calculation method:	Allometric equations or any other indirect validated calculation.
Any comment:	n/a

4.3 Monitoring Plan

The purpose of the monitoring is to have all information necessary to assess the development of the Project activities, possible deviations between what was estimated and what is real, and finally, the calculation (ex-post) of net GHG reductions attributed to the project and the leakage occurred.

This document presents the parameters evaluated to be used in the calculation ex-ante, and parameters to be evaluated during the life of the project, especially on each Monitoring and Evaluation of the Baseline.

The Monitoring will be carried out a maximum of every 5 years, and the Revision of Baseline every 10 years. During each period all data will be gathered according to the occurrence of each programmed activity (PRA, training courses, etc.) and of those that will be avoided (fires, degradation, use of fertilizers, etc.).

The gathering of information will be carried out directly in field, and indirectly by using satellite images, as well as representative studies of the area and official information if necessary.

The Monitoring has been carried out following the guidelines of module M-MON (Approved VCS Module VMD0015).

It is important to mention that 54 concessionaires were temporarily excluded from the calculation as indicated in this document.

STEP 1. Selection and analyses of sources of land-use and land-cover (LU/LC) change data

The remotely sensed spatial data to be used for monitoring periods and baseline renewal is Landsat images from sensors 5TM and 7TM, which have a resolution of 30 x30 m.

The selection and acquisition of the most adequate satellite images will be accomplished by:

- Search of images in the web sites of *National Institute for Space Research from Brazil (INPE)* and *USGS Global Visualization Viewer*.
- Selection of 5TM and Landsat 7TM satellite images with less than 10% cloud cover over the desired areas. This will be achieved by comparing quick looks and their %CC reported for each quadrant, shown in both websites. If not possible, then images with the lowest overall percentage of cloud cover will be selected and a mosaic constructed.

As stated in the methodology, if a new source with higher resolution becomes available or if the used source is no longer available, then a change of source will only occur if the new data complies with the requirement set in the module.

The data collected and analyzed will cover:

- For the monitoring period: The Project Area and Leakage Belt, in the year of verification.
- For Baseline renewal: The entire RRD, in the same year of baseline renewal or no further in the past than the year prior to it.

STEP 2. Interpretation and analysis

Monitoring deforestation

For the estimation of net carbon stock change as a result of deforestation, the following criteria will be considered:

- The forest strata will remain the same in the entire baseline period.
- The selected pools for the baseline estimation will be maintained in the entire baseline period. All carbon pools excluded are counted as zero.
- The carbon stocks in the forest strata and the post-deforestation land-uses will be maintained across the baseline.

$$\Delta C_{p,DefPA,i,t} = \sum (A_{DefPA,u,i,t} * \Delta C_{pools,P,Def,u,i,t}) = 241,078.49 \text{ t CO}_2$$

Details in the attached: Cp Estimations in Castañeros REDD Project 6th monitoring report

$$\Delta C_{p,DefLB,i,t} = \sum (A_{DefLB,u,i,t} * \Delta C_{pools,P,Def,u,i,t}) = 1,557,687.82 \text{ t CO}_2$$

Details in the attached: Leakage Estimations in BAM 2020

$$\text{Where: } \Delta C_{pools,P,Def,u,i,t} = C_{BSL,i} - C_{P,post,i} - C_{WP,i}$$

Monitoring degradation

The Project Area will be monitored to account any emissions due to degradation activities, which are represented by degradation through extraction of trees for selective logging from forest management areas possessing FSC certificate.

$$\Delta C_{P,Deg,i,t} = \Delta C_{P,DegW,i,t} + \Delta C_{P,SelLog,i,t}$$

Degradation through extraction of trees for illegal timber or fuelwood and charcoal

Step 1. Delineation of area that is potentially subject to degradation:

The roads for illegal logging can be found in the *attached: illegal logging roads* and have the following lengths: 1,616 m, 568 m, 1,640 m and 205 m. and following the methodology (width by length) we find the table in the attached "Arboles ilegales", the buffer is 566.89.

The buffer is obtained by multiplying the illegal road (interpreted as degradation penetration) by a similar value (as the methodology states that a width similar to length). So, it gives 566.89 ha.



Step 2. After that, the methodology requires to sample plots across degradation area covering at least 1% of buffer access, it means, at least 5.66 ha. The field work has made 9 transects, each one from 1 hectare, so the sampled area covers 9 ha, which is 1.59% of buffer access, meeting the requirement of the methodology.

Step 3: The methodology states that in the case of the emissions from degradation is significant, an additional sampling must be done and they must be discounted from the net VCUS. The methodology establishes to use the T-SIG tool to determine significance. We have used the "Tool for testing significance of GHG emissions in A/R CDM project activities" (Version 01)" for this analysis.

$$RC_{E_i} = \frac{E_i}{\sum_{i=1}^I E_i}$$

So, first we need to determine the emissions from degradation to add to other sources of emissions and determine its significance.

Step 3. Following the indications of M-MON, we have used the equations approved during validation for estimating the carbon pool in trees (CP-AB) in the baseline scenario.

TREES SPECIES EQUATION

For the calculation of biomass of tree species, the allometric equation *Biomass-Diameter Regression (Model II)* proposed in Chavé et al (2005)⁵ for *Moist Forest*⁶ was applied. This equation was validated by the author using datasets from previous studies in several tropical countries.

$$B = \rho * \exp[-1.499 + 2.148 * \ln(\text{DBH}) + 0.207 * (\ln(\text{DBH}))^2 - 0.0281 * (\ln(\text{DBH}))^3] \text{ in Kg (dry)}$$

Where,

P = Density by species (gr/cm³)

DBH = Diameter at breast height, (cm)

The 17 trees harvested illegally in the 4 concessions, with Chave equation, represent a total emission of 309.85 tCO₂e

Step 4: Then, if degradation is occurring, we have to apply the equation (8).

$$\Delta C_{P, \text{DegW}, i, t} = A_{\text{DegW}, i} * \frac{C_{\text{DegW}, i, t}}{AP_i}$$

Where A_{DegW,i} is total degraded area and AP is sample plots area.

So, the equation determines that ΔC_{P,DegW,i,t} is:

$$309.85 * (233,761.20 * 40\% / 4,298.76) = 6,740 \text{ tCO}_2\text{e.}$$

Step 5: Finally, applying the T-SIG, we obtain the following results:

ΔC_{P,DegW,i,t} + ΔC_{P,Def} as 6,740 + 321,220.87 = 327,960.51 tCO₂e, where ΔC_{P,DegW,i,t} is 2.06% and, according to T-SIG, it is not significant and must be discarded and not monitored in more detail.

Monitoring degradation due to selective logging of forest management areas possessing a FSC certificate

On the other hand, degradation and thus reduction of carbon stocks resulting from the selective logging in areas holding a FSC certificate is expected to happen, as being one of

the proposed activities, and will be included in the ex-post estimations. It will be monitored as early as it is approved and implemented.

For these reasons, the ex-ante with-project case estimation is set to zero.

$$\Delta C_{P, Deg, i, t} = 0$$

Monitoring areas undergoing natural disturbance

Natural disturbances such as forest fires, pests, disease outbreaks and extreme weather (flooding) do not have significant presence in the Project area according to INDECI, therefore they are not estimated.

Monitoring areas undergoing carbon stock enhancement

No carbon stock enhancement is occurring in the baseline and the with-project scenario. This activity won't be monitored, in order to be conservative.

$$C_{P, Enh, i, t} = 0$$

Monitoring project emissions

Where significant, non-CO₂ gas greenhouse emissions occurring within the project boundary must be evaluated.

$$GHG_{P, E, i, t} = E_{FC, i, t} + E_{BiomassBurn, i, t} + N_2O_{direct-N, i, t}$$

N₂O and CH₄ emissions from agriculture and forest biomass burning

To estimate ex-ante biomass burnt in forests, it was calculated (according to MINAM, 2009) that 55% of the deforested forest is burnt. This index will be the same for the entire baseline period.

For the case of agriculture biomass burnt, it has been determined based on traditional management of farmland that stubble burning is made every year in all parcels at the end of the harvest period. In the calculations ex-ante, Corn is used as farmland reference because is the most representative crop of the area. However, for real estimations it can be taken as reference the crop that is actually in the parcel when known or the one with major representation in the area. This reference crop should be corroborated for baseline renewal.

Table 5. GHG Emissions for biomass burning in Forest Strata:

Strata	Aburn,i,t (ha)	B (t d.m./ha)	EBiomass Burn CH4 (T CO2)	EBiomass Burn N2O (T CO2)	Total EBiomass Burn in Forest (T CO2)
Flooded terraces forest (1)	0.00	174.99	0.00	0.00	0.00
Swamp trees (2)	8.02	417.09	238.76	103.67	342.43
High and mid terrace with bamboo (paca) forest (3)	6.64	224.27	106.38	46.19	152.56
Terraces forest (4)	230.31	423.83	6,969.43	3,025.94	9,995.38
Bamboos (Pacal) (5)	-	338.44	-	-	-
Low hills forest (6)	11.27	458.03	368.63	160.05	528.67
Low hills with bamboo (paca) forest (7)	19.56	203.63	284.40	123.48	407.87
TOTAL	275.80		7,967.60	3,459.32	11,426.92

STEP 3. Documentation

For each monitoring period, the procedures detailed in steps 1 and 2 above will be documented providing the following information:

a) Data sources and pre-processing

Type, resolution, source and date of acquisition of the remotely sensed data that will be used; description of corrections performed; projection and parameters used to georeference the images; error estimate of geometric correction; software used and software version; etc.

b) Data interpretation

Definition of land classes and categories; standardized description of each category; all information corresponding to the interpretation process already described in step 2.

c) Accuracy assessment

Accuracy assessment technique used; coordinates and description of the ground-truth data collected for the assessment; and final classification accuracy assessment.

d) Changes in Data sources and pre-processing / Data classification

If changes will be made to the original data or use of data in next periods:

- Each change and its justification shall be explained and recorded; and
- When data from new satellites are used, the documentation must follow a) to c) above.

Organization and Responsibilities

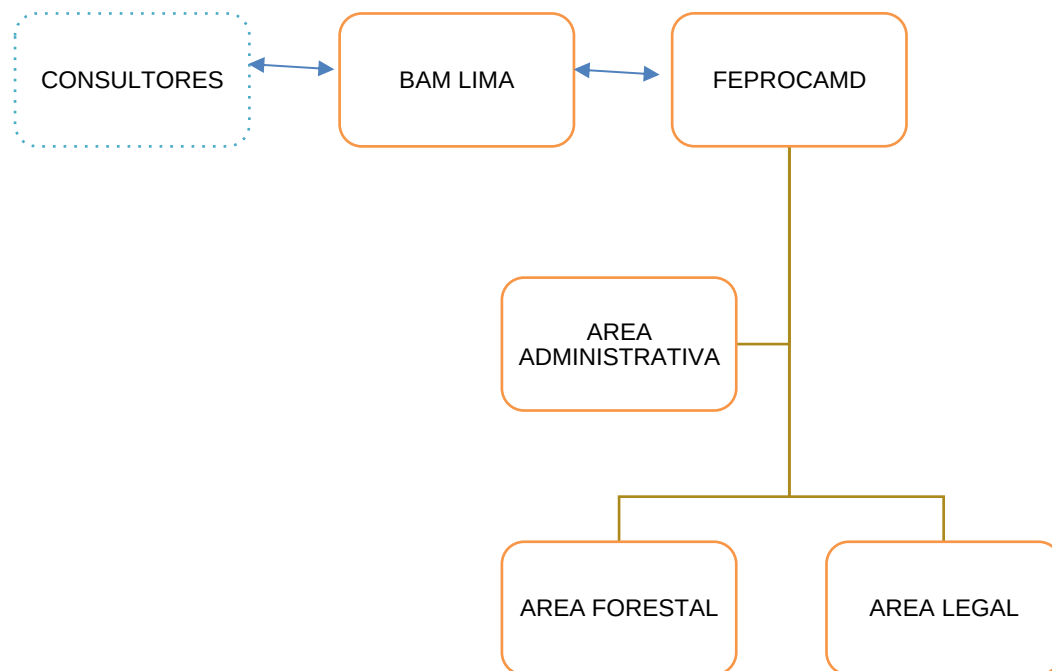
The design and execution of the Project and its Monitoring is handled by a multidisciplinary technical team, duly qualified and with experience in Project development.

In addition, it is supported by recognized institutions related to the Amazon investigation as the IIAP and AIDER. Specialists in forest, social, and economic areas lead the team, who are in charge of defining the objectives and provide guidelines to the correct development of the activities.

During previous monitoring periods the BAM's team was active and was in charge of the implementation, with the head of monitoring and a team of specialists in charge of gathering all parameter information that will be monitored to evaluate the performance of the project.

For this verification period 2020, the regional management in Madre de Dios - BAM is deactivated to allow FEPROCAMD to take responsibility for the technical - legal area of the project. In addition, a team of consultants was hired to prepare the monitoring report based on the information provided by FEPROCAMD, leaving the organizational structure as follows.

Figure 1: Organizational structure of the team for this monitoring period.



Information Management

To minimize the impact of changes in BAM staff members, all the information from validation and each verification, including the modules and calculation spreadsheets that

are not accessible in VERRA webpage, will be uploaded in the cloud. They explain clearly the followed steps, according to the methodology.

There will also be forms for each parameter that will allow documenting them clearly and consistently through time.

Even though they are standard forms, additional information considered as relevant by the field operator can be included.

Furthermore, unique procedures will be fixed for the management, processing and archive of the gathered information with the purpose to secure information and availability to any subsequent revision.

5 QUANTIFICATION OF GHG EMISSION REDUCTIONS AND REMOVALS

5.1 Baseline Emissions

Estimation of carbon stock and changes per stratum

Carbon stocks of the forest

The equation used to calculate the carbon stocks in the forest strata is:

$$C_{BSL} = C_{AB_tree,i} + C_{BB_tree,i} + C_{AB_non-tree,i} + C_{BB_non-tree,i} + C_{DW,i} + C_{LI,i} + C_{SOC,i}$$

Where:

C_{BSL}	Carbon stock in all carbon pools in forest stratum i ; t CO ₂ -e ha ⁻¹
$C_{AB_tree,i}$	Carbon stock in aboveground tree biomass in forest stratum i ; t CO ₂ -e ha ⁻¹
$C_{BB_tree,i}$	Carbon stock in belowground tree biomass in forest stratum i ; t CO ₂ -e ha ⁻¹
$C_{AB_non-tree,i}$	Carbon stock in aboveground non-tree biomass in forest stratum i ; t CO ₂ -e ha ⁻¹
$C_{BB_non-tree,i}$	Carbon stock in belowground non-tree biomass in forest stratum i ; t CO ₂ -e ha ⁻¹
$C_{DW,i}$	Carbon stock in dead wood in stratum i ; t CO ₂ -e ha ⁻¹
$C_{LI,i}$	Carbon stock in litter in the forest stratum i ; t CO ₂ -e ha ⁻¹
$C_{SOC,i}$	Carbon stock in soil organic carbon in the forest stratum i ; t CO ₂ -e ha ⁻¹

i

1,2,3,... M strata

Table 6. Carbon stocks for each stratum are presented in following table.

<i>n</i> ^o	ID	Name	Above Ground	Below Ground	Cstock
			t CO ₂ -e ha ⁻¹	t CO ₂ -e ha ⁻¹	t CO ₂ -e ha ⁻¹
001	BTI	Flooded terraces forest	314.39	75.45	389.84
002	PA	Swamp tres	749.38	179.85	929.23
003	BPT	High and mid terrace with bamboo (paca) forest	402.93	96.70	499.63
004	BT	Terraces forest	761.48	182.76	944.24
005	P	Bamboos (Pacal)	608.06	145.93	753.99
006	BCB	Low hills forest	822.93	197.50	1020.43
007	BPCB	Low hills with bamboo (paca) forest	365.85	87.80	453.65

The carbon stocks have been obtained from the forest inventory applied to the project area strata during validation period.

Estimation of post-deforestation carbon stocks

To establish the carbon stocks for each post-deforestation land use, information from several studies⁸ made in the Peruvian Amazon was gathered and compared. We also checked the information provided in the Agricultural National Census of 2007, and based on the cultivated area of each crop (table 33), we established that the main crops of the region were Rice and Corn (preferred for having more carbon stock), and that the most common pasture was *Brachiaria decumbens*.

The following values were determined for each land use class:

Table 7. Carbon stocks per activity.

<i>n</i> ^o	ID	Name	Above Ground	Below Ground	Cstock
			t CO ₂ -e ha ⁻¹	t CO ₂ -e ha ⁻¹	t CO ₂ -e ha ⁻¹
008	DP	Deforestation for Pastures	15.11	3.52	18.63
009	DF	Deforestation for Farming*	28.82	2.93	31.75
010	DI	Deforestation for Infrastructure	0.00	0.00	0.00
011	DA	Deforestation for Agriculture (Corn)	28.82	2.93	31.75
012	DM	Deforestation for Illegal Mining	0.00	0.00	0.00

Estimation of the sum of baseline carbon stock changes

Based on land use change from initial forest strata to final post-deforestation land uses, and considering the changes in respective stocks, we estimated the total change in carbon stocks for the reference period of the Project Area and Leakage Belt. In both cases, no timber harvest is carried out in the process of deforestation and therefore C_{wp} was not accounted.

The equations used for that end are:

$$\Delta C_{TOT} = C_{BSL} - C_{post} - C_{wp}$$

$$C_{BSL} = \sum \sum (C_{BSL,i} * A_{unplanned,i,t})$$

$$C_{post} = \sum \sum (C_{post,i} * A_{unplanned,i,t})$$

Where:

ΔC_{TOT}	Sum of the baseline carbon stock change in all pools up to time t^* ; t CO ₂ -e
C_{BSL}	Total forest carbon stock in areas deforested; t CO ₂ -e
C_{post}	Total post-deforestation carbon stock in areas deforested; t CO ₂ -e
C_{wp}	Total carbon stock in harvested wood products; t CO ₂ -e
$C_{BSL,i}$	Carbon stock in all carbon pools in the forest stratum i ; t CO ₂ -e
$A_{unplanned,i,t}$	Area of unplanned deforestation in forest stratum i at time t ; ha
$C_{post,i}$	Carbon stock in all carbon pools in the post-deforestation stratum i ; t CO ₂ -e
$A_{unplanned,i,t}$	Area of unplanned deforestation in post-deforestation stratum i at time t ; ha
t	1,2,3,... t years elapsed since the projected start of the REDD project activity
I	1,2,3, ... M strata

The results for all the years in the baseline period are presented in the following tables for Project Area and Leakage Belt. Considering only the 351 Brazil nut harvesters that are part of this verification period, the baseline projections (in hectares and in tCO₂e) per stratum are in following table. This is obtained by cutting the baseline maps per year with the 2020 project area (only the 351 BN harvesters).

Table 8. Total Forest Carbon stock in areas deforested in Project Area

Carbon stock changes in initial (pre-deforestation) forest classes in <u>Project Area</u>																Total C stock change in initial forests	
Strata i		BTI		PA		BPT		BT		P		BCB		BPCB		Cumulative	Annual
T	Year	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e
11	2020	459	178.833	842	782.739	763	381.324	31.318	29.571.290	558	420.378	782	798.349	2.680	1.215.700	33.348.614	2.460.901

Based on the percentage calculated and used during validation of the share of each post-deforestation land use, the total deforested area is allocated between the different post-deforestation strata every year and, with the carbon stocks of each post-deforestation land use, the total post deforestation carbon stock in deforested areas in Project Area is obtained:

Table 9. Total post-deforestation carbon stock in areas deforested in Project Area

Carbon stock changes in final (post-deforestation) non forest classes in <u>Project Area</u>												Total C stock change in final post-deforestation classes	
Strata f		Deforestation for Pastures		Deforestation for Farming*		Deforestation for Agriculture (Corn)		Deforestation for Infrastructure		Deforestation for Illegal Mining		Cumulative	Annual
T	Year	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e
11	2020	19,369	360,836	14,590	463,234	1,216	38,604	868	-	1,354	-	862,675	63,449

So, the net baseline carbon stock change in Project Area is obtained by discounting the carbon stocks in post-deforestation classes from carbon stocks in initial forest classes in baseline scenario only in the 2020 Project Area (i.e. the 351 BN harvests area).

Table 10. Sum of the baseline carbon stock change in all pools in Project Area

Classes		Total C stock change in initial forests		Total C stock change in final post-deforestation classes		Total baseline carbon stock change in <u>Project Area</u>	
		cumulative	annual	cumulative	annual	annual	cumulative
T	Year	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e	tCO ₂ -e	tCO ₂ -e
11	2020	33,348,614	2,460,901	862,675	63,449	2,397,452	32,485,939

The same procedure is followed for the Leakage Belt, considering that the Leakage Belt area contains Brazil nut concessions that are not part of the Project Area (Brazil nut concessions non-project partners). It is important to mentioned that the leakage belt does not include the 54 BN concessionaries that have been excluded from emission reductions accounting in the period, as they are still part of the REDD+ project but were only excluded from the calculation of net reductions generated by the project during the specific verification period due to the

methodology restriction previously explained. A similar approach was applied in previous verification satisfactorily.

Carbon stock changes in initial (pre-deforestation) forest classes in <u>Leakage Belt</u>															Total C stock change in initial forests		
Strata i		BTI		PA		BPT		BT		P		BCB		BPCB		Cumulative	Annual
T	Year	Ha	t CO ₂ -e	Ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e
11	2020	2,205	859,579	6,546	6,082,973	1,865	931,901	57,261	54,067,586	986	743,073	1,283	1,309,663	5,132	2,328,262	66,323,038	5,660,741

Table 12. Total post-deforestation carbon stock in areas deforested in Leakage Belt

Carbon stock changes in final (post-deforestation) non forest classes in <u>Leakage Belt</u>												Total C stock change in final post-deforestation classes	
Strata f		Deforestation for Pastures		Deforestation for Farming*		Deforestation for Agriculture (Corn)		Deforestation for Infrastructure		Deforestation for Illegal Mining		Cumulative	Annual
t	Year	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	ha	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e
11	2020	38,983	726,253	29,365	932,350	2,447	77,699	1,748	-	2,725	-	1,736,302	149,083

Table 13. Sum of the baseline carbon stock change in all pools in Leakage Belt

Classes		Total C stock change in initial forests		Total C stock change in final post-deforestation classes		Total baseline carbon stock change in <u>Leakage Belt</u>	
		Cumulative	Annual	Cumulative	Annual	Annual	Cumulative
t	Year	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e	tCO ₂ -e	tCO ₂ -e
11	2020	66,323,038	5,660,741	1,736,302	149,083	5,511,658	64,586,736

Estimation of the sum of baseline greenhouse gas emissions

The emissions of GHG as a consequence of deforestation activities within the project area in baseline, are determined according to module by the sum of CO₂ emissions of the combustion of fossil fuel by stratum each year, the greenhouse gas emissions different to CO₂ by biomass burnt by stratum per year and the direct emissions of N₂O by application of nitrogen within the project area.

$$GHG_{BSL,E} = \sum \sum (E_{FC,i,t} + E_{BiomassBurn,i,t} + N_2O_{direct-N,i,t})$$

Where:

$GHG_{BSL,E}$

Greenhouse gas emissions as a result of deforestation activities within the project boundary in the baseline; t CO₂-e

$E_{FC,i,t}$

CO₂ emission from fossil fuel combustion in stratum i in year t ; t CO₂-e

$E_{BiomassBurn,i,t}$

Non- CO₂ emissions due to biomass burning as part of deforestation activities in stratum *i* in year *t*; t CO₂-e

 $N_2O_{direct-N,i,t}$

Direct N₂O emissions as a result of nitrogen application on the alternative land use within the project boundary in stratum *i* in year *t*, t CO₂-e

Emissions of CO₂ by combustion of fossil fuel

The estimation of CO₂ by combustion of fossil fuel, according to module E-FFC is optional. However, its quantification is proposed if CO₂ emissions of combustion of fossil fuel with project are larger than the estimated emissions in baseline.

There is no information about the number of machinery, equipment, trucks, etc. that would be incorporated annually as a consequence of agriculture or farming activities during baseline (after deforestation) in the project area. In the other hand, there is strong evidence that these activities are carried in self-consumption/ small-scale way⁹, which is supposed to minimally use fuel consuming' machinery. Therefore, it was decided not to measure the variable. This is a conservative approach. Likewise, the module indicates that fossil fuel is an optional source of emission.

Emissions of N₂O due to nitrogen application

No application of fertilizers is supposed in the post-deforestation activities given their traditional management.

With those assumptions, and the hectares of deforested area per stratum and the deforested area converted to agriculture, we obtain the following non-CO₂ emissions:

Table 14. GHG Emissions (CH₄ and N₂O) due to forest burning in Project Area as part of deforestation activities

GHG emissions due to biomass burning in forest strata as part of deforestation activities inside <u>Project Area</u>													
Strata <i>i</i>		Biomass Burnt per Forest Strata = Area (ha) x 0.55*** x AG biomass (t/ha)							Total GHG Emissions				
		BTI	PA	BPT	BT	P	BCB	BPCB	Total	CH ₄		N ₂ O	
AG Biomass t/ha		174.99	417.09	224.27	423.83	338.44	458.03	203.63	Cumulative	Cumulative	Annual	Cumulative	Annual
T	Year	t	t	t	t	t	t	t	T	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e	t CO ₂ -e
11	2020	44,149	193,237	94,139	7,300,351	103,780	197,091	300,123	8,232,870	587,827	43,378	255,219	18,833

Table 15. GHG emissions (CH₄ and N₂O) due to biomass burn in agriculture in Project Area

GHGs Emissions from Biomass Burning (from Agricultural wastes) in <u>Project Area</u>						
T	Year	Burnt Areas* ha	CH ₄		N ₂ O	
			Cumulative t CO ₂ -e	Annual t CO ₂ -e	Cumulative t CO ₂ -e	Annual t CO ₂ -e
11	2020	1,215.9	922.34	67.84	352.99	25.96

These are the expected emissions in the baseline scenario for the current verification area from biomass burning in the forest area and in the agriculture post-deforestation area. They will be summed to estimate the total net baseline emissions for the current verification area.

Calculation of net emissions

The previous calculations are summarized with the following equations:

$$\Delta C_{BSL,unplanned} = \Delta C_{BSL,PA,unplanned} + GHG_{BSL,E}$$

$$\Delta C_{BSL,PA,unplanned} = \Delta C_{TOT,PA}$$

$$\Delta C_{BSL,LK,unplanned} = \Delta C_{TOT,LB}$$

Where:

$\Delta C_{BSL,unplanned}$	Net greenhouse gas emissions in the baseline from unplanned deforestation; t CO ₂ -e
$\Delta C_{BSL,PA,unplanned}$	Net CO ₂ emissions in the baseline from unplanned deforestation in the project area; t CO ₂ -e
$\Delta C_{BSL,LK,unplanned}$	Net CO ₂ emissions in the baseline from unplanned deforestation in the leakage belt ; t CO ₂ -e
$GHG_{BSL,E}$	Greenhouse gas emissions as a result of deforestation activities within the project boundary in the baseline; t CO ₂ -e
$\Delta C_{TOT,PA}$	Sum of the baseline carbon stock change in all pools up to time t^* in the project area, t CO ₂ -e
$\Delta C_{TOT,LB}$	Sum of the baseline carbon stock change in all pools up to time t^* in the leakage belt, t CO ₂ -e

The total net GHG emissions in the Project Area in the baseline from unplanned deforestation are 28,629,866.07 t CO₂-e.

For Leakage Belt, the values found for $\Delta C_{BSL,LK,unplanned}$ will be used in LK-ASU module for subsequent calculations. As it is equal to $\Delta C_{TOT,LB}$ the results are already presented in Table 41.

The Final result for the emissions in Project Area can be seen in the next table:

Table 16. Net GHG Emissions in the Baseline from Unplanned Deforestation Cumulative.

T	Year	Total Sum of carbon stock change in baseline (t CO ₂) $\Delta C_{BSL,PA,unplanned}$	Greenhouse Gas Emissions in the Project Area in baseline (t CO ₂ -e) $GHG_{BSL,E}$	Net GHG Emissions in the Baseline from Unplanned Deforestation Cumulative (t CO ₂ -e) $\Delta C_{BSL,unplanned}$
8	2020	27,904,523.93	725,342.14	28,629,866.07

In this table we can see the GHG emissions reductions per year in the project area, thus, showing the impact this project has in Madre de Dios. Without the project activity, the cumulative CO₂ in the area would have been 28,629,866.07 for 2020.

It must be remained that future deforestation will be monitored permanently following the procedures described in M-MON module, which follows the technical parameters that have been used by IIAP during the preparation of historic reference period maps. These results will be compared with deforested areas in baseline scenario to calculate the real net emission reductions generated by the project.

Spreadsheet used: "Castaños REDD Project Calculations MODIFIED 2020"

5.2 Project Emissions

$$\Delta C_P = \sum_{i=1}^{i^*} \sum_{t=1}^M (\Delta C_{P,Def,PA,i,t} + \Delta C_{P,Deg,i,t} + \Delta C_{P,Dist,PA,i,t} + GHG_{P-E,i,t} - \Delta C_{P,Enh,i,t})$$

Table 17. Project emissions per stratum.

Stratum	$C_{pDef,PA,i,t}$	$C_{pdeg,PA,i,t}$	$C_{pDist,PA,i,t}$	$GHG_{p-e,i,t}$	$C_{pEnh,i,t}$	TOTAL
BTI	0.03	-	-	0.00	-	0.03
PA	7,195.51	-	-	350.84	-	7,546.35
BPT	3,128.69	-	-	157.89	-	3,286.58
BT	211,337.04	-	-	10,141.92	-	221,478.96
P	-	-	-	-	-	-
BCB	11,164.37	-	-	538.89	-	11,703.26
BPCB	8,252.85	-	-	428.39	-	8,681.24
Total	241,078.49	-	-	11,617.93	-	252,696.42

In the case of deforestation, the methodology establishes that the same procedure followed above is applicable, estimating the real deforested area per stratum.

5.3 Leakage

$$\Delta C_{P,DefLB,i,t} = \sum_{u=1}^U (A_{DefLB,u,i,t} * \Delta C_{pools,P,Def,u,i,t})$$

First, we processed satellite image to obtain and locate deforested in areas by stratum and determine the type of activity that has been established after deforestation: In the Leakage Belt, results are below:

Table 18. Deforested area in Leakage Belt during the monitoring period.

u i	AdefLB,u,i,t					TOTAL
	Pastures (8)	farming (9)	Infrastructure (10)	Agriculture (11)	Secondary Forest (12)	
Flooded terraces forest (1)	1.61	1.39	-	208.55	-	211.55
Swamp trees (2)	32.07	-	-	281.39	-	313.46
High and mid terrace with bamboo (paca) forest (3)	30.50	-	-	61.99	-	92.49
Terraces forest (4)	338.60	61.45	-	766.48	-	1,166.53
Bamboos (Pacal) (5)	-	-	-	3.50	-	3.50
Low hills forest (6)	0.02	-	-	60.02	-	60.03
Low hills with bamboo (paca) forest (7)	8.83	1.22	-	50.64	-	60.70
TOTAL	411.64	64.06	-	1,432.57	-	1,908.27

All the deforested data collected by satellite analysis were put by stratum and crossed with the activity that caused it. This was extracted from the spreadsheet Leakage estimations BAM 2020.xls

In the following table, we discount the carbon stock in the post-deforestation stratum from the carbon stock in the pre-deforestation stratum. We produced a matrix as follows:

Table 19. Carbon pools per stratum

$\Delta C_{pools,P,Def,u,i,t}$ (t CO ₂ /ha)					
$\begin{matrix} u \\ i \end{matrix}$	Pastures (8)	farming (9)	Infrastructure (10)	Agriculture (11)	Secondary Forest (12)
Flooded terraces forest (1)	371.21	358.09	389.84	358.09	311.08
Swamp trees (2)	910.60	897.48	929.23	897.48	850.47
High and mid terrace with bamboo (paca) forest (3)	481.00	467.88	499.63	467.88	420.87
Terraces forest (4)	925.61	912.49	944.24	912.49	865.48
Bamboos (Pacal) (5)	735.36	722.24	753.99	722.24	675.23
Low hills forest (6)	1001.80	988.68	1020.43	988.68	941.67
Low hills with bamboo (paca) forest (7)	435.02	421.90	453.65	421.90	374.89

Here, we crossed the carbon pools per stratum with the activity that is taking place. This was extracted from the spreadsheet Leakage estimations BAM 2020.xls

By multiplying the hectares of land change by the net loss of carbon stock per hectare in each cell of the matrix, we obtain the following emissions in the leakage belt area.

Table 20. Net carbon stock change as a result of deforestation is equal to the area deforested multiplied by the emission per unit area.

Period 2020			
Stratum i, u	$A_{def, LB, u, i, t}$	$\Delta C_{pools, P, Def, u, i, t}$	$\Delta C_{p, defLB, i, t}$
	ha	t CO ₂ /ha	t CO ₂
1,8	1.61	371.21	598.85
1,9	1.39	358.09	496.94
1,10	-	389.84	-
1,11	208.55	358.09	74,681.10
1,12	-	311.08	-
2,8	32.07	910.60	29,202.81
2,9	-	897.48	-
2,10	-	929.23	-
2,11	281.39	897.48	252,544.19

2,12	-	850.47	-
3,8	30.50	481.00	14,670.26
3,9	-	467.88	-
3,10	-	499.63	-
3,11	61.99	467.88	29,005.87
3,12	-	420.87	-
4,8	338.60	925.61	313,412.66
4,9	61.45	912.49	56,067.79
4,10	-	944.24	-
4,11	766.48	912.49	699,398.94
4,12	-	865.48	-
5,8	-	735.36	-
5,9	-	722.24	-
5,10	-	753.99	-
5,11	3.50	722.24	2,528.82
5,12	-	675.23	-
6,8	0.02	1,001.80	18.12
6,9	-	988.68	-
6,10	-	1,020.43	-
6,11	60.02	988.68	59,337.30
6,12	-	941.67	-
7,8	8.83	435.02	3,842.20
7,9	1.22	421.90	516.60
7,10	-	453.65	-
7,11	50.64	421.90	21,365.37
7,12	-	374.89	-
1,908.27			1,557,687.82

Net CO₂ emissions due to unplanned deforestation displaced from the project area to leakage belt

$$\Delta C_{LK-ASU-LB} = \Delta C_{P,LB} - \Delta C_{BSL,LK-unplanned}$$

Table 21. Net CO₂ emissions from PA to LB.

$\Delta C_{P,LB}$	$\Delta C_{BSL,LK-unplanned}$	$\Delta C_{LK-ASU-LB}$
1,557,687.82	5,511,658.33	-

With the difference between the projected deforestation with the real deforestation we obtained the net CO₂ emissions and, according to module LK-ASU, when it is less than 0, it must be set as 0.

Net CO₂ emissions due to unplanned deforestation displaced outside the leakage belt

$$\Delta C_{LK-ASU,OLB} = PROP_{CS} * \left(\sum_{t=1}^{j^*} A_{LK-OLB,t} \right)$$

As a first step, we need to calculate $A_{LK-OLB,t}$:

$$A_{LK-OLB,t} = A_{LK-IMM,t} - A_{LK-ACT-IMM,t}$$

$A_{LK-IMM,t}$			$A_{LK-ACT-IMM,t}$			$\Delta A_{LK-OLB,t}$	$\Delta C_{LK-ASU,OLB}$
PROP _{IMM}	$A_{BSL,PA-unplanned,t}$	Total 1	PROP _{IMM}	$A_{Def,PA-i,t}$	$A_{Def,LB-i,t}$	Total 2	
from Step 2 LK-ASU	Baseline estimations	Eq 7 LK-ASU	from Step 2 LK-ASU	from M-MON	from M-MON	Eq 8 LK-ASU	Eq 9 LK-ASU
2.34	2,750.87	6,442.63	2.34	260.40	1,908.27	5,079.07	1,363.56
							979.52

The PROP_{IMM} comes from the spreadsheet Encuestas data.xls, while the expected baseline deforestation in the monitoring period was extracted from the spreadsheet Castañeros REDD Project Calculations MODIFIED_2020.xls. Both values need to be multiply and resulted in 166.51, according to equation 7 LK-ASU, to get $A_{LK-IMM,t}$

Then, we used equation 8 (LK-ASU) to obtain $A_{LK-ACT-IMM,t}$ by multiply PROP_{IMM} with the sum of $A_{Def,PA-i,t}$ and $A_{Def,LB-i,t}$, obtaining 5,079.07.

Finally, the difference between $A_{LK-IMM,t}$ and $ALK-ACT-IMM,t$ resulted in $\Delta A_{LK-OLB,t}$, which was 1,363.56.

After that, according to equation 4 of LK-ASU, we calculated $PROP_{CS}$

$PROP_{CS}$ (Eq 4 LK-ASU)		
C_{OLB}	C_{LB}	Total 3
379.78	528.68	0.72

C_{OLB} is the average stock per ha established in the 2nd Communication on Climate Change. Step 4C of LK-ASU and C_{LB} is the weighted average is the AG biomass (t CO₂/ha) per stratum in Leakage Belt.

With the division of C_{OLB} and C_{LB} we obtained 0.72.

Then, $\Delta C_{LK-ASU,OLB}$ was the multiplication of $PROP_{CS}$ and $\Delta ALK-OLB,t$ resulting in 979.52.

Greenhouse gas emissions as a result of leakage of avoided deforestation activities

$$GHG_{LK,E} = \sum_{t=1}^{t^*} \sum_{i=1}^M (E_{BiomassBurn,i,t} + N_2O_{direct-N,i,t})$$

There are no GHG emissions in LB because no leakage prevention activities were done.

Net greenhouse gas emissions due to activity shifting leakage for projects preventing unplanned deforestation Net CO₂ emissions

$$\Delta C_{LK-AS,unplanned} = \Delta C_{LK-ASU-LB} + \Delta C_{LK-ASU-OLB} + GHG_{LK,E}$$

$\Delta C_{LK-ASU-LB}$	$\Delta C_{LK-ASU,OLB}$	$GHG_{LK,E}$	$\Delta C_{LK-AS,unplanned}$
-	979.52	-	979.52

This is the result of the net GHG emissions due to activity shifting leakage for the project. No emissions were displaced from the project area to leakage belt and no GHG emissions as a result of leakage avoided deforestation.

5.4 Net GHG Emission Reductions and Removals

According to the non-permanence risk assessment, the risk rating for the current verification period is 10%. This value has been used to calculate the VCUs to be reserved in the buffer pool.

Table 22. Emissions and removals

Year	Baseline emissions or removals (tCO ₂ e)	Project emissions or removals (tCO ₂ e)	Leakage emissions (tCO ₂ e)	Net GHG emission reduction s or removals (tCO ₂ e)	Buffer pool allocation	VCU eligible for issuance
2020	2,459,756	252,696	980	2,206,081	220,706	1,883,326

Source: Self-made

Spreadsheets "VCU Estimations 2020".

While the resulting degradation from the PRA resulted in 2.06% if compared to the total hectares, it was not discounted from the total emissions.

According to M-MON, if degradation results less than 5% of the total emissions it would be considered not significant, so it would not be discounted from the Net GHG emissions reductions, so, after all calculations, the emissions went from an initial 2,459,756 to, after the uncertainty and risk buffer, the **net GHG emission reductions were 1,883,326 tCO₂-e.**

6 APPENDIX 1: TECHNICAL DOCUMENTS

1. *BAM Monitoring Report 2020*
2. *Non permanence Risk Report*
3. *Castañeros REDD Project Calculations 2020*
4. *Cp estimations in Castañeros REDD Project 6th monitoring report*
5. *Encuestas Data*
6. *Leakage estimations in BAM 2020*
7. *Deforestación y cambio de uso 2020*
8. *VCUs estimations 2020*